Cybeats Signs Commercial Agreement with a Top 3 Global Medical Device and Diagnostics Company

TORONTO, Jan. 20, 2023 /CNW/ - **Cybeats Technologies Corp. ("Cybeats" or the "Company")** (CSE: CYBT) is pleased to announce a new software licence agreement with a top 3 global medical device and diagnostics leader, for Cybeats' *SBOM Studio*[1], to manage their Software Bill of Materials (SBOM) and support regulatory compliance requirements with looming FDA mandates on SBOM adoption for medical device manufacturers.[2]

"Signing one of the largest organizations in the medical device industry is important validation of the value of SBOM Studio for the healthcare industry and unlocks a critical new sector that is leading the world towards widespread SBOM adoption," said **Yoav Raiter, CEO, Cybeats.** *"SBOM adoption is accelerating globally and we are thrilled SBOM Studio is at the forefront of this industry-wide shift and securing the confidence of some of the largest organizations in the world to help make the shift possible."*

This agreement will see *SBOM Studio* deployed by the maker of some of the world's most frequently used medical devices, spanning across multiple specialty domains ranging from orthopedics and ophthalmology to cardiology and sports medicine. The signing of this agreement follows the Company's recent announcements surrounding the active scaling of its commercial activities in the medical devices sector to help organizations meet the recently announced FDA mandate that set a 90-day deadline for medical device companies to comply with new SBOM regulations.[3]

"SBOM Studio has demonstrated its value across a diverse range of industry verticals and the size and caliber of our early customers, like this one, is a testament to the industry-leading capabilities of our platform," said **Bob Lyle, CRO, Cybeats.** *"We applaud the leadership across the medical device ecosystem, including the FDA and medical device manufacturers, who are demonstrating what is possible in software transparency and next-generation software supply chain security."*

This engagement commencing on January 13th 2023, comes amidst a growing concern surrounding software supply chain security in the healthcare industry and the rapid sector-wide shift towards widespread SBOM adoption to enhance the security of connected medical devices and protect patient data, while ensuring the safe and reliable operation of these devices.

In a Cybeats webinar[4] which included medical device industry leaders from Medtronic and Boston Scientific, Suzanne Schwartz, Director at the FDA, spoke about the history of the earliest actions by the FDA that have contributed to the recent inclusion of an SBOM Mandate for Medical Device Manufacturers. This mandate was part of the Appropriations Bill Signed by President Biden on December 29, 2022.

Cybersecurity in Healthcare Industry

Healthcare saw an 86% increase in cyberattacks in 2022[5], coming second only to the overall number of recorded attacks across all industries. On average, hospitals and other medical facilities endured 1410 weekly strikes. IBM recently found that the healthcare industry incurred the highest average cost of a cybersecurity data breach for the 12th consecutive year, reaching over USD $10 million.[6] The healthcare sector is a prime target for cybercriminals due to the valuable data held within it. With the potential for personal health insurance information, medical records numbers, and even social security data available through these institutions, the healthcare sector is seen as particularly lucrative by malicious cybercriminals.

With the widespread proliferation and adoption of SBOM following the Whitehouse Executive Order in May of 2021, which announced the new SBOM standard to be implemented in the United States[7], policymakers are recognizing the importance of SBOM standards. Cybeats SBOM management solution provides proactive compliance with anticipated Governance, Risk Management and Compliance (GRC) requirements, demonstrating best practices by having an SBOM for all of your own software, and for any 3rd-party products used by your enterprises. From the US Executive Order to the recent EU Cyber Resilience Act[8], the value and imperative to use SBOMs around the world has been further cemented. Cybeats recently applauded the mandates that require medical device manufacturers to submit a Software Bill of Materials (SBOM) to the FDA that includes all standard, open source, and critical software components used by the devices.

Upcoming Events

Join us at the **CISO Forum Canada** in Toronto, Ontario from January 30 to 31 as Cybeats leads a panel discussion on Software Supply Chain Security with cybersecurity leaders from CN Rail, Craft Ventures and SAP: https://www.siberx.org/event/ciso-forum-canada-2023/

Join us at the Fira Gran Via, Barcelona from 27 February – 2 March, 2023 at **MWC Barcelona**[9], the world's most influential exhibition for the device connectivity and security industry: https://www.mwcbarcelona.com/

Come meet us at **S4x23** in Miami February 13-16! Discover new ideas and come up with innovative ways to use these new ideas to deploy secure and resilient industrial control systems[10]: https://s4xevents.com/

About *SBOM Studio*

Cybeats' SBOM Studio enables organizations to efficiently manage, distribute, and view their software bill of materials (SBOMs) in a single interface. By doing so, they can easily identify and address cybersecurity vulnerabilities, reduce the cost of protection, and improve compliance. SBOM Studio is specifically designed to support software producers and consumers who use open source and 3rd party software components and who are transitioning to more transparent software development practices. The tool is compatible with various SBOM generation tools and can validate and correct imported SBOMs to improve their accuracy.

About Cybeats

Cybeats is a cybersecurity company providing SBOM management and software supply chain intelligence technology, helping organizations to manage risk, meet compliance requirements, and secure their software from procurement to development and operation. Our platform gives customers comprehensive visibility and transparency into their software supply chain, enabling them to improve operational efficiency and increase revenue. Cybeats. Software Made Certain. Website: https://cybeats.com

SUBSCRIBE: For more information, or to subscribe to the Company's mail list, visit: https://www.cybeats.com/investors

Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from

those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the commercialization plans for the technology described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Company filings are available at sedar.com.

[1] https://www.cybeats.com/sbom-studio

[2] https://www.cybeats.com/news/cybeats-targets-healthcare-sector-following-recent-fda-mandates-organizations-facing-90-day-sbom-compliance-deadline

[3] https://www.cybeats.com/news/cybeats-targets-healthcare-sector-following-recent-fda-mandates-organizations-facing-90-day-sbom-compliance-deadline

[4] https://www.cybeats.com/events/supply-chain-transparency-in-medical

[5] https://www.dailyhostnews.com/global-cyberattacks-increase

[6] https://www.dailyhostnews.com/healthcare-industry-records-the-highest-average-cost-of-a-data-breach

[7] https://www.whitehouse.gov/wp-content/uploads/2022/09/M-22-18.pdf

[8] https://digital-strategy.ec.europa.eu/en/library/cyber-resilience-act

[9] https://www.mwcbarcelona.com/

[10] https://s4xevents.com/

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