

Cybeats Signs Commercial Licence with Global Top 5 Medical Device Manufacturer

TORONTO, July 7, 2023 /CNW/ - **Cybeats Technologies Corp. ("Cybeats" or the "Company")** (CSE: CYBT)(OTCQB: CYBCF) is pleased to announce the signing of a licence agreement for *SBOM Studio* with a global medical device manufacturing (MDM) company, ranking in the top 5 based on revenue.¹

This license marks Cybeats' second commercial agreement with MDM providers from the global top 5. Cybeats also recently announced a pilot evaluation² with another MDM from the top 5, and the commercial pipeline has expanded to include several MDMs from the global top 20.³

"Securing a contract with another prominent medical device company highlights the increasing demand for SBOM Studio. Our platform offers comprehensive solutions for risk management and supports compliance with the recently mandated FDA requirements, ensuring enhanced cybersecurity for the healthcare industry. We expect that the Healthcare IT and MDM sector will continue to be a significant catalyst for Cybeats' commercial expansion," said **Bob Lyle, CRO of Cybeats**

Cybeats SBOM Studio delivers comprehensive software supply chain intelligence technology, empowering the company to effectively manage SBOMs and proactively address cyber risks in their medical device portfolio and beyond. The FDA's new Refuse-to-Accept Authority emphasizes the significance of SBOM management solutions like SBOM Studio. This recent contract with a medical device firm underscores the growing expertise in the healthcare security industry vertical, and increasing demand for SBOM solutions within the industry.

FDA & Medical Device Manufacturers

The FDA's role in regulating medical device cybersecurity has significantly increased due to its authority to approve or reject premarket submissions based on compliance with the FD&C Act's section 524B. This section mandates that Medical Device Manufacturer (MDM) provide a SBOM for their devices' commercial, open-source, and off-the-shelf software components. The ability to institute an RTA decision emphasizes the FDA's dedication to medical device cybersecurity and the importance of SBOMs for a transparent and accountable software supply chain.

The Consolidated Appropriations Act ('Omnibus') amended the FD&C Act's section 524B, titled 'Ensuring Cybersecurity of Medical Devices.' This requires MDMs to disclose a comprehensive list of software components used in their devices, including third-party and open-source elements, and address postmarket vulnerabilities with patches. To proactively manage cybersecurity risks, MDMs must maintain an accurate inventory of device components, develop vulnerability management and risk assessment processes, provide device patches, and maintain device change records. The urgent need for managing vast amounts of SBOM data has created a large and growing addressable market for solutions like *SBOM Studio*.

Other Recent Commercial Highlights

- 86.5% growth in *SBOM Studio* 'seats' under licence contract since late 2022, when Cybeats publicly listed in Canada. A seat represents a single user of the *SBOM Studio* platform, and organizations acquire several *SBOM Studio* seats in order to provide access to all team members who require use of the platform⁴
- Three clients from the global top-10 largest industrial control systems and building automation sectors
- Signed a license Agreement with a top-3 global Medical Device Manufacturer⁵, and this licence (effective May 14, 2023), marks its 2nd commercial agreement with an MDM from the global top 5 and another in a pilot evaluation stage
- 75% of organizations that have completed *SBOM Studio* pilot evaluation periods have moved on to sign commercial licence agreements with Cybeats⁶

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>

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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 products 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.proclinical.com/blogs/2022-9/the-top-10-medical-device-companies-in-the-world-in-2022>

² <https://www.cybeats.com/news/cybeats-signs-trial-license-with-top-5-global-medical-device-manufacturer>

³ <https://www.medicaldesignandoutsourcing.com/2022-big-100/>
⁴ <https://www.cybeats.com/news/cybeats-provides-commercial-update-highlights-recent-contract-wins-with-industry-leading-multinationals>
⁵ <https://www.cybeats.com/news/cybeats-signs-commercial-agreement-with-a-top-3-global-medical-device-and-diagnostics-company>
⁶ <https://www.cybeats.com/news/cybeats-announces-75-of-sbom-studio-pilot-evaluations-have-converted-into-commercial-contracts>

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