

Cybeats Announces Engagement with Global 'Smart Manufacturing' Leader; Provides Commercial Update Highlighting 237% MRR Growth

TORONTO, Oct. 16, 2023 /CNW/ - **Cybeats Technologies Corp. ("Cybeats" or the "Company")** (CSE: CYBT) (OTCQB: CYBCF) is pleased to announce a new commercial engagement with the global leader in smart manufacturing and automation, and provides an update on the commercial growth and success of its *SBOM Studio*¹ enterprise SaaS ("Software as a Service") product for the Software Bill of Materials ("SBOM") Management industry.²

Cybeats is making significant commercial progress evidenced by Monthly Recurring Revenue (MRR)³ growth, client retention, and increased enterprise adoption. Cybeats has achieved 237% growth in MRR growth from January 2023⁴, and over 25% of clients have increased their contract size organically, illustrating increased product usage and demand. With this new client engagement from the Industrial Control Systems (ICS) sector, Cybeats' *SBOM Studio* is now being utilized by 4 out of the largest 10 ICS companies globally by market capitalization.⁵

"Cybeats is achieving notable growth and having been selected as the SBOM Management solution for another industrial controls leader demonstrates the accelerated traction and role of SBOM Studio in securing software supply chains for companies with global reach," said **Yoav Raiter, CEO, Cybeats**. "SBOM Studio anticipated market and regulatory trends, and services markets universally. Following accelerated cybersecurity and SBOM regulations⁶, Cybeats is poised for growth beyond its core target verticals, such as in the telecom industry."

Recent Commercial Highlights

- **MRR Growth** - 237% monthly recurring revenue (MRR) growth since January 2023⁷
- **Pilot conversion rate** - Approximately 85% of pilot evaluations have converted to license agreements, up from 75% in January 2023⁸
- **Client profile** - Over 78% of *SBOM Studio* clients are Fortune 500 companies⁹. Publicly announced clients include Schneider Electric¹⁰, a global leader in the digital transformation of energy management and automation, Bullish¹¹ and Integral Ad Science¹²
- **Average Contract Value** - Average *SBOM Studio* enterprise contract size is over \$700,000, approximately 3 times larger than average enterprise SaaS products¹³

¹ <https://www.cybeats.com/sbomstudio>

² <https://www.cisa.gov/sbom>

³ <https://www.saasacademy.com/blog/what-is-mrr>

⁴ <https://www.newswire.ca/news-releases/cybeats-provides-corporate-update-achieves-213-growth-and-700-000-average-enterprise-contract-size-836053441.html>

⁵ <https://finance.yahoo.com/news/top-15-automation-companies-us-141634698.html>

⁶ <https://www.cybeats.com/news/cybeats-signs-pilot-agreement-for-sbomstudio-with-one-of-the-largest-global-telecom-technology-providers-and-a-leader-in-5g>

⁷ <https://www.newswire.ca/news-releases/cybeats-provides-corporate-update-achieves-213-growth-and-700-000-average-enterprise-contract-size-836053441.html>

⁸ <https://www.cybeats.com/news/cybeats-provides-commercial-update-highlights-recent-contract-wins-with-industry-leading-multinationals>

Cybeats' strategic focus has been on capturing global leaders in the Medical Device Manufacturing (MDM)¹⁴ and Industrial Control Systems (ICS) sectors. Cybeats has recently announced it won three of the global Top 10 MDMs, recently having signed a 3 year 7 figure contract¹⁵, and is engaged in pilot evaluations with several other global Top 10 MDMs.¹⁶ Cybeats has signed 4 of the global Top 10 ICS companies and is engaged in pilot evaluations with several other global ICS leaders.¹⁷ Cybeats is now actively targeting the largest Mobile Network Operators (MNOs) and Mobile Network Equipment providers globally.¹⁸

Gartner Spotlights - Cybeats

The Company has been named six times in recent 'Gartner Hype Cycle' reports. It indicates the bright future and the vital role of SBOM management, with their mainstream adoption predicted within 2 to 5 years. Cybeats has been named as in various 2023 Gartner 'Hype Cycle' Reports, Hype Cycle for Application Security¹⁹, Hype Cycle for Open-Source Software²⁰, Hype Cycle for Agile and DevOps²¹ and Hype Cycle for Software Engineering.²²

⁹ <https://www.newswire.ca/news-releases/cybeats-provides-corporate-update-achieves-213-growth-and-700-000-average-enterprise-contract-size-836053441.html>

¹⁰ https://en.wikipedia.org/wiki/Schneider_Electric

¹¹ <https://www.newswire.ca/news-releases/cybeats-announces-sbomstudio-licence-renewal-with-bullish-a-technology-company-that-operates-the-regulated-cryptocurrency-trading-platform-bullish-exchange-887566883.html>

¹² <https://integralads.com/>

¹³ <https://www.saasr.com/dear-saasr-what-is-the-average-deal-size-for-saas-companies/#~:text=Public%20SaaS%20companies%20that%20focus,AC%20of%20about%20%24220>

¹⁴ <https://www.cybeats.com/news/cybeats-signs-three-year-seven-figure-contract-with-global-top-5-medical-device-leader>

¹⁵ <https://www.cybeats.com/news/cybeats-signs-three-year-seven-figure-contract-with-global-top-5-medical-device-leader>

¹⁶ <https://www.cybeats.com/news/cybeats-signs-commercial-licence-with-global-top-5-medical-device-manufacturer>

¹⁷ <https://www.cybeats.com/news/cybeats-signs-commercial-licence-with-global-top-5-medical-device-manufacturer>

¹⁸ <https://www.cybeats.com/news/cybeats-signs-top-3-european-telecom-operator-for-evaluation-of-sbomstudio>

¹⁹ <https://hkd.in/g/3-gkZc>

²⁰ <https://hkd.in/g/Arb6Zp>

²¹ <https://hkd.in/g/tjSE>

Favourable Industry Regulation

reats from supply chain attacks and vulnerabilities have increased exponentially by an average 742%²³ year-over-year growth rate between 2019 and 2022, posing significant challenges like data breaches, operational inefficiencies, intellectual property loss, and even human safety threats. Regulated entities and government agencies across continents are setting SBOMs as mandatory benchmarks, ensuring software components and dependencies remain transparent. SBOM Management for healthcare cybersecurity has been fueled by the amended FD&C Act's section 524B - 'Ensuring Cybersecurity of Medical Devices' from earlier in 2023. Telecom and mobile network operators must now adhere to specific regulations such as FCC regulations, NDAA provisions, the EU Cybersecurity Act, UK Telecommunications (Security) Act, and NIST and GSMA guidelines. It is anticipated that SBOMs will be ubiquitous and adopted across several industries over the next few years.

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](https://www.sedar.com).

²² <https://lnkd.in/g/0NnARnG>

²³ <https://blog.sonatype.com/2023-predictions-software-supply-chain-governance>

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