



EQUITY RISK SCIENCES, INC
Institutional Investment Data Analytics

**TECHNOLOGY TO IDENTIFY AND RATE
THE PROBABILITY AND MAGNITUDE OF
FUTURE PRICE CHANGES**

May 15, 2023

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Market data and industry information used herein are based on our management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon managements review of independent industry surveys, forecasts and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used herein involves a number of assumptions and limitations which we believe to be reasonable, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described, above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties. In all cases, you should conduct your own investigation and analysis of the Company and the information contained in this presentation. All estimates and forecasts are subject to change and past results are not necessarily an indication of future performance.

Do investors need more investment solutions?

We believe ERS's data-driven technology makes investing Safer and More Rewarding.

Answer:

The New York Times

December 2, 2022

“Mutual Funds That Consistently Beat the Market? Not One of 2,132”

“A new study of actively managed mutual funds by S&P Dow Jones Indices ... **found that not a single mutual fund** — not one — managed to beat its benchmark in either the U.S. stock or bond markets regularly and convincingly over the last five years.”

*Source:

<https://www.nytimes.com/2022/12/02/business/stock-market-index-funds.html>

Answer:

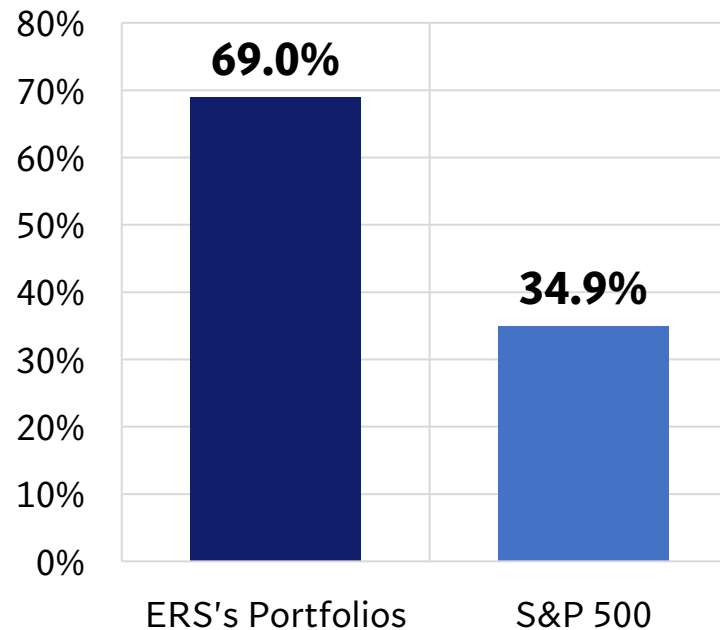
EQUITY RISK SCIENCES, INC

December 31, 2022

Portfolios of Stocks with PRI Ratings™ from 0 to 5
5-Year Study: 12/31/17 to 12/31/22 (37 periods)

Average 2-Year Return*

**Ask for details on any of our studies.*



Forbes

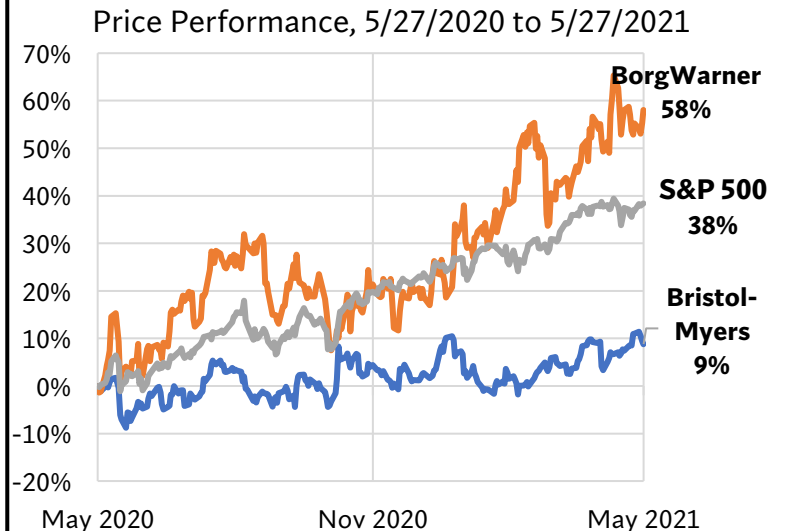
Lawrence Carrel Contributor ©
I'm a journalist who covers finance and investing.

Forbes interviewed Mr. Mullaney on May 27, 2020. They asked him to identify, using ERS's data-science technology, a very favorably-rated stock and a very poorly-rated stock. Below are quotes and a summary of the results of the selection.

Bristol Myers (BMY) “is a high-risk company [with] an FRI (Financial Risk) ... of **95** and a Price Risk of **92**”.

BorgWarner (BWA) is a “strong company with an extremely low risk profile... With an FRI of **22** and a price risk of **15**.”

1-year after the Forbes publication, **BorgWarner rose 58%**, while **Bristol-Myers only rose 9%** and the S&P 500 was up 38%.



IN A RECENT 15-MONTH STUDY, ERS'S TECHNOLOGY HAS DEMONSTRATED GREAT EFFICACY & VALUE

ERS's technology identified stocks that rose in a declining market.

Avoiding and reducing losses is the surest way to compound gains and improve performance. Helping to protect capital from substantial losses is one of ERS's most valuable benefits.



ERS selected the 100 US companies with the best FID Ratings™ on 12/31/2021 with a market cap over \$100 million.

ERS'S FID RATINGS™: A BREAKTHROUGH IN MEASURING THE PROBABILITY & MAGNITUDE OF PRICE CHANGES

12/31/2021 TO 3/31/2023

On 12/31/21, ERS assigned FID Ratings™ to 7,708 companies and then measured their 15-month price changes through 3/31/23.

We divided these 7,708 companies into four groups based on their **FID Ratings™**.

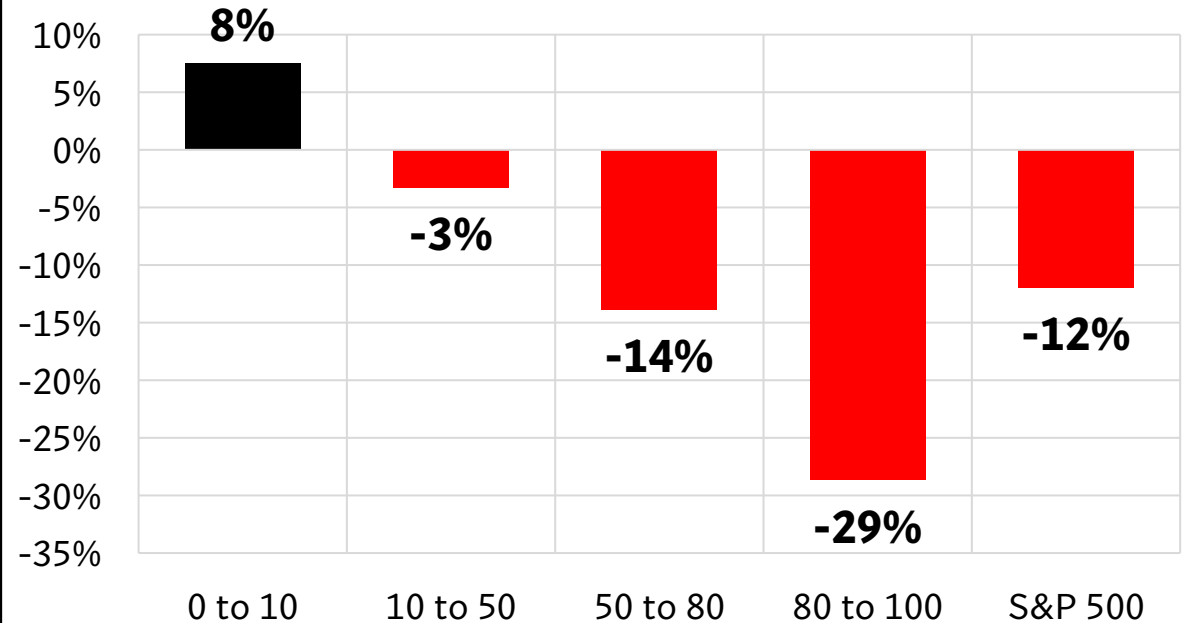
Only 166 stocks had a **FID Rating™** less than 10; these stocks gained 8%.

The S&P 500 index lost 12% in the same period.

The stocks with the worst **FID Ratings™** fell much more than the S&P 500.

15-Month Total Return

12/31/2021 to 3/31/2023



**We believe that Equity Risk Sciences' technology
will help investors *beat the market*.**

**Not just sometimes, but often.
Not just by a little, but by a lot.**

What investors need, want and will pay handsomely for is:

- **Technology to help them reduce and avoid losses.**
- **Technology to help them make more profitable decisions.**

ERS's BREAKTHROUGH TECHNOLOGY APPLIED OVER THE PAST 32 YEARS

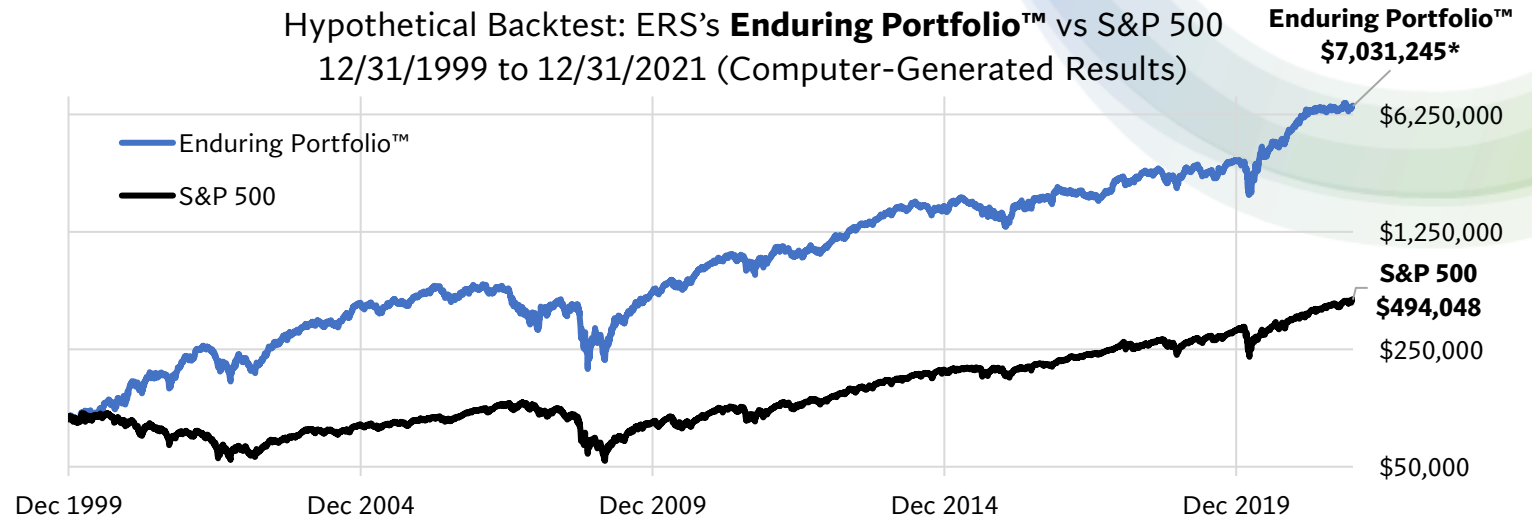
Time-Tested Portfolio*

ERS's **Enduring Portfolio™** is completely computer-driven and fully-automated; i.e., all purchase and sale decisions were based solely on the results of algorithms.

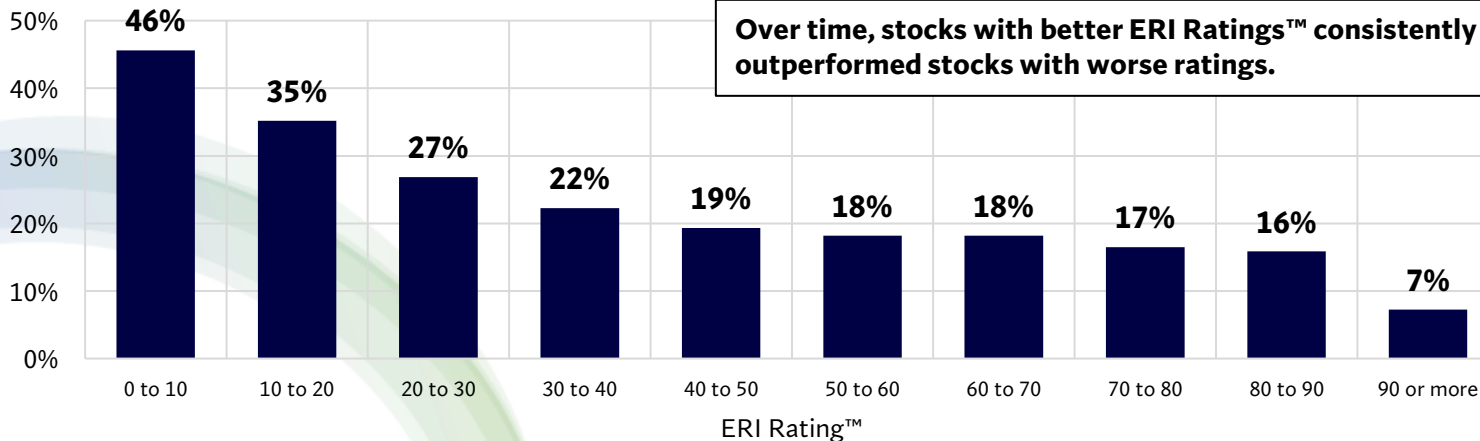
In this 22-year backtest, ERS's **Enduring Portfolio™** grew to 14 times* as much as passively holding the S&P 500.

**Equity Risk Sciences' hypothetical backtested examples are provided as illustrative examples and do not represent the performance of actual client portfolios. No fees or transaction costs were included in this study.*

Hypothetical Backtest: ERS's **Enduring Portfolio™** vs S&P 500
12/31/1999 to 12/31/2021 (Computer-Generated Results)



Average 2-Year Buy-and-Hold Return over 32 ½ Years



Over time, stocks with better ERI Ratings™ consistently outperformed stocks with worse ratings.

Reliable Risk Ratings

In this 2-year buy-and-hold study across more than 330,000 ratings from 1988 to 2019, stocks with better **ERI Ratings™** outperformed stocks with poorer **ERI Ratings™**.

**ERS's Risk Ratings range from 0 to 100, where 0 is the best rating and 100 the worst rating.*

ERS'S BREAKTHROUGH TECHNOLOGY APPLIED OVER THE PAST 24 YEARS

Study of Portfolios Held for 1 Year

PRI Rating™	0 to 5	0 to 10	0 to 15	0 to 20	0 to 25	80 to 100	85 to 100	90 to 100	95 to 100
Avg ERS Portfolio Return	19.3%	18.7%	18.2%	17.8%	17.4%	3.7%	2.2%	0.9%	-0.6%
Avg. S&P 500 Return	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
Difference	10.8%	10.2%	9.7%	9.3%	8.9%	-4.8%	-6.3%	-7.6%	-9.0%
# of Periods	277	277	277	277	277	277	277	277	277
Avg. # of Companies	192	333	481	636	789	817	649	516	400
# of Portfolio Gains	190	197	203	204	208	148	139	136	123
% Portfolios with Gains	69%	71%	73%	74%	75%	53%	50%	49%	44%

Study of Portfolios Held for 2 Years

PRI Rating™	0 to 5	0 to 10	0 to 15	0 to 20	0 to 25	80 to 100	85 to 100	90 to 100	95 to 100
Avg ERS Portfolio Return	41.4%	38.5%	36.9%	35.9%	34.9%	6.3%	4.0%	1.9%	-0.3%
Avg. S&P 500 Return	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%	18.1%
Avg. Outperformance	23.3%	20.4%	18.8%	17.8%	16.8%	-11.8%	-14.1%	-16.2%	-18.4%
# of Periods	265	265	265	265	265	265	265	265	265
Avg. # of Companies	199	343	495	652	808	763	600	473	362
# of Portfolio Gains	209	211	222	228	228	160	147	139	130
% Portfolios with Gains	79%	80%	84%	86%	86%	60%	55%	52%	49%

*ERS's Risk Ratings range from 0 to 100, where 0 is the best rating and 100 the worst rating.

CAN ERS'S PROPRIETARY FIDUCIARY RISK RATING™ REDUCE INVESTOR LOSSES?

- Over the past 16 ½ months, the prices of 10 of the largest Regional Banks in America fell about **74%**.
- Prior to declining, fourteen (14) of Wall Street's largest brokerage firms gave them "buy" ratings.

EQUITY RISK SCIENCES, INC uses data science to produce statistical analyses of the probability and magnitude of price changes of individual securities.

- **On 11/15/2021, these banks' average PRI Rating™ was 92, very high risk.**
- **On 11/15/2021, each of these banks' FID Rating™ was 100, the worst possible rating.**

Bank Name	Price Loss 11/15/21 to 3/31/23	PRI™ on 11/15/21	FID™ on 11/15/21	Average Price Target	Average Difference*
Comerica	-52%	92	100	\$106.67	-59%
First Republic	-94%	100	100	\$211.00	-93%
KeyCorp	-48%	74	100	\$28.67	-56%
PacWest Bancorp	-80%	90	100	\$42.67	-77%
Signature Bank	-100%	100	100	\$392.67	-100%
Silvergate Bank	-99%	100	100	\$183.00	-99%
SVB Financial	-100%	88	100	\$787.00	-100%
Truist Financial	-46%	77	100	\$67.67	-50%
Western Alliance	-70%	100	100	\$102.50	-65%
Zions Bancorp	-55%	95	100	\$81.00	-63%
Total	-74%	92	100		-76%

We have the names of the 14 firms which gave these stocks "buy" ratings in a separate report. Contact us to request additional information.

*Price difference from Wall Street's average price target to closing price on 3/31/2023.

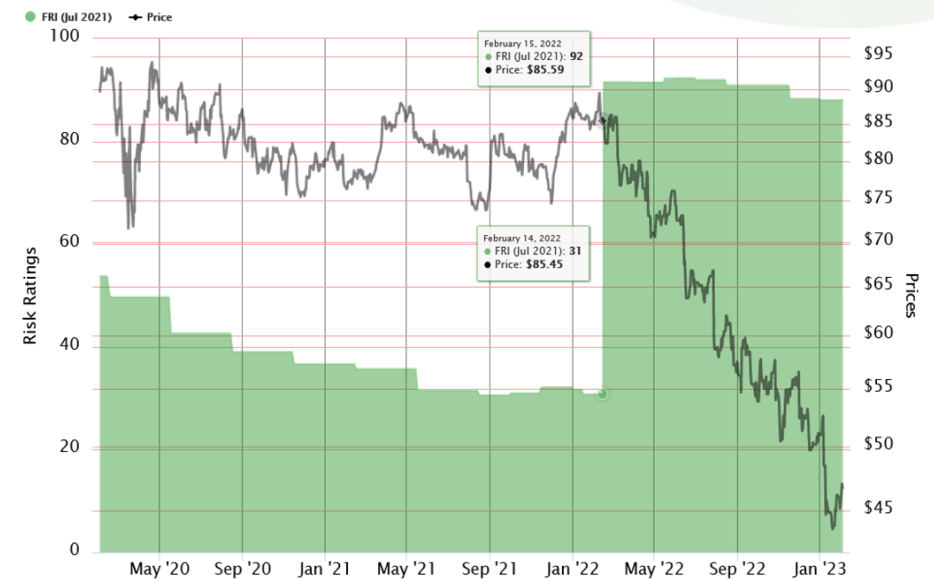
CAN ERS'S PROPRIETARY NEW ACTIVE RISK MONITORING™ REDUCE INVESTOR LOSSES?

On 2/14/2022, Baxter's **FRI Rating™** was 31.

On 2/15/2022, Baxter's **FRI Rating™** rose to an extremely high-risk **92**.

Over the next 13 months Baxter's price declined 55%.

Subscribers to **ERS's** proprietary new **ACTIVE RISK MONITORING™** would have received a text, email and call, alerting them to the increase in risk.



Date	Price	FRI™	Loss from 2/15/22	Date	Price	FRI™	Loss from 2/15/22
2/15/22	\$85.59	92		10/15/22	\$54.50	91	-36.3%
4/15/22	\$76.44	92	-10.7%	12/15/22	\$50.76	88	-40.7%
6/15/22	\$67.83	92	-20.8%	2/15/23	\$40.06	88	-53.2%
8/15/22	\$62.02	91	-27.5%	3/15/23	\$38.23	88	-55.3%

For more information, contact us to receive a more complete deck.