

An American Original



mace[®]
BRAND



Empowering Your World Through Safety & Security



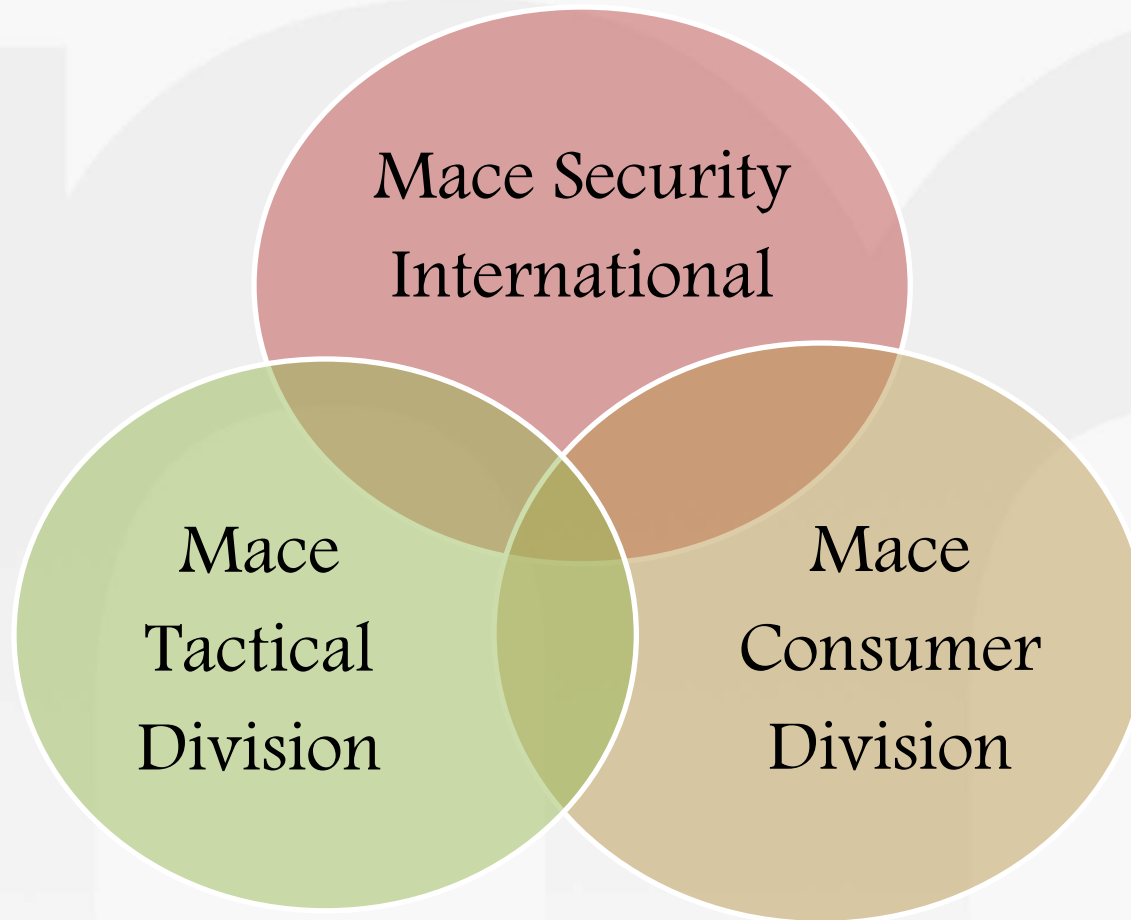
2014
Second Quarter Analysis

OTCPINK: MACE



Certain statements and information included in this letter constitute “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. When used in this letter, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “projected,” “intend to” or similar expressions are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks, known and unknown, and uncertainties, including but not limited to economic conditions, dependence on management, our ability to compete with competitors, dilution to shareholders, and limited capital resources.

Mace Means Security

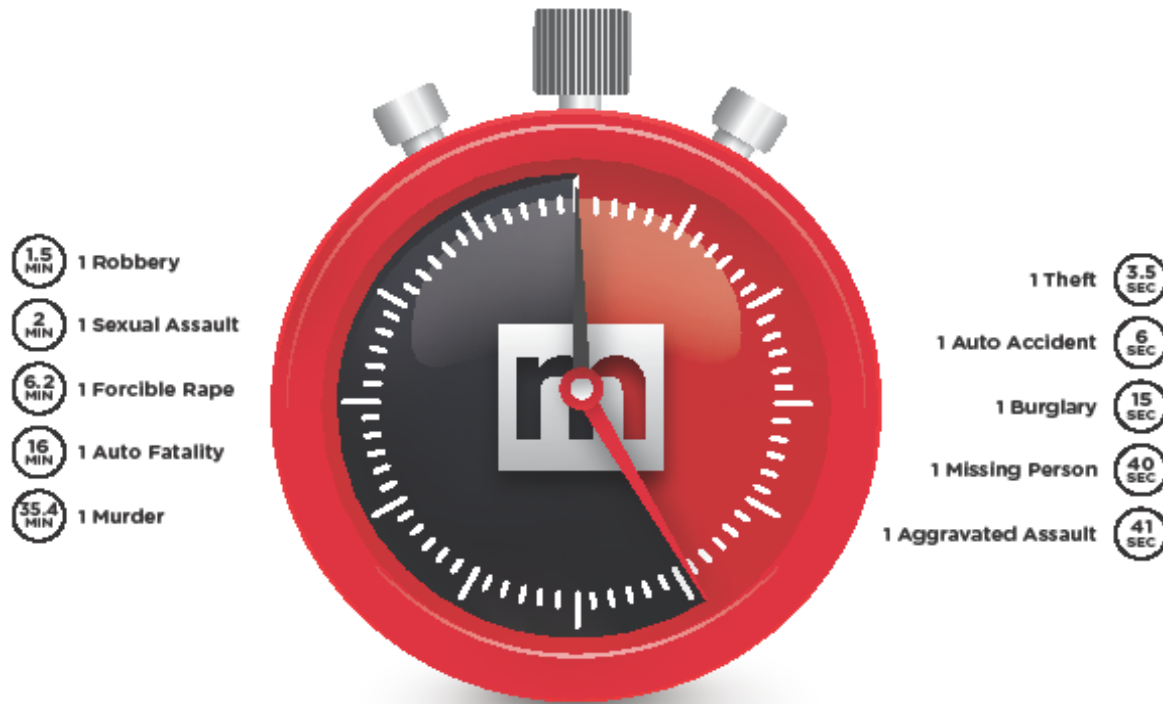




2014 Second Quarter:

- Expanded Tactical Sales and distribution
- Continued to expand International Sales and Distribution
- Expanded product, sales and services to various schools and universities
- Managed revenue increases in the following categories:
 - Tactical Division
 - International
 - Surveillance/ Monitoring Products

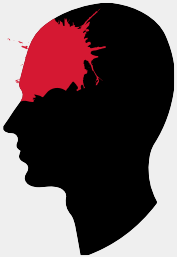
Why Mace is important in Today's ever-changing world – crime statics by the minute





OC FORMULA

OC Pepper: Oleoresin capsicum is a naturally occurring substance derived from hot peppers. OC Pepper causes an intense burning sensation to the skin, eyes and throat upon contact. Mace® Brand defense sprays are available in different strengths to satisfy virtually every requirement.



UV DYE

As an added defense, many of our formulations contain an ultraviolet dye. The dye will invisibly mark an assailant which may aid in identification.

BEAR
DEFENSE

Research has shown that bear spray is even more effective than a gun in stopping bear attacks. If you find yourself face-to-face with a bear in the wild, a canister of bear pepper spray and the knowledge of how to use it properly are your best defense.

Mace ® Brand is highly effective as we use natural ingredients and we factory test our products ~



Jennifer | Modern Mom

"I carry Mace[®] Brand pepper spray because I want both my family and myself to be safe."



Ralph | Working Single

"I carry Mace[®] Brand pepper spray because I was mugged once and I now know that sometimes it's better to be smart than macho."



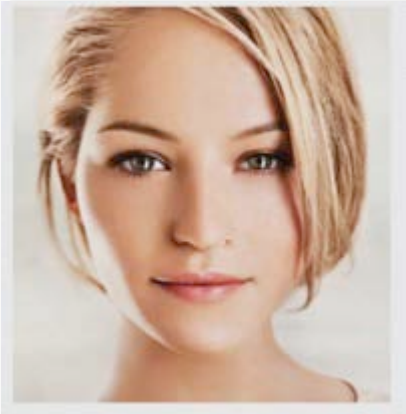
Margaret | Mature Worker

"I carry Mace[®] Brand pepper spray because it gives me peace of mind when I am out and about."



Frank | Urban Dad

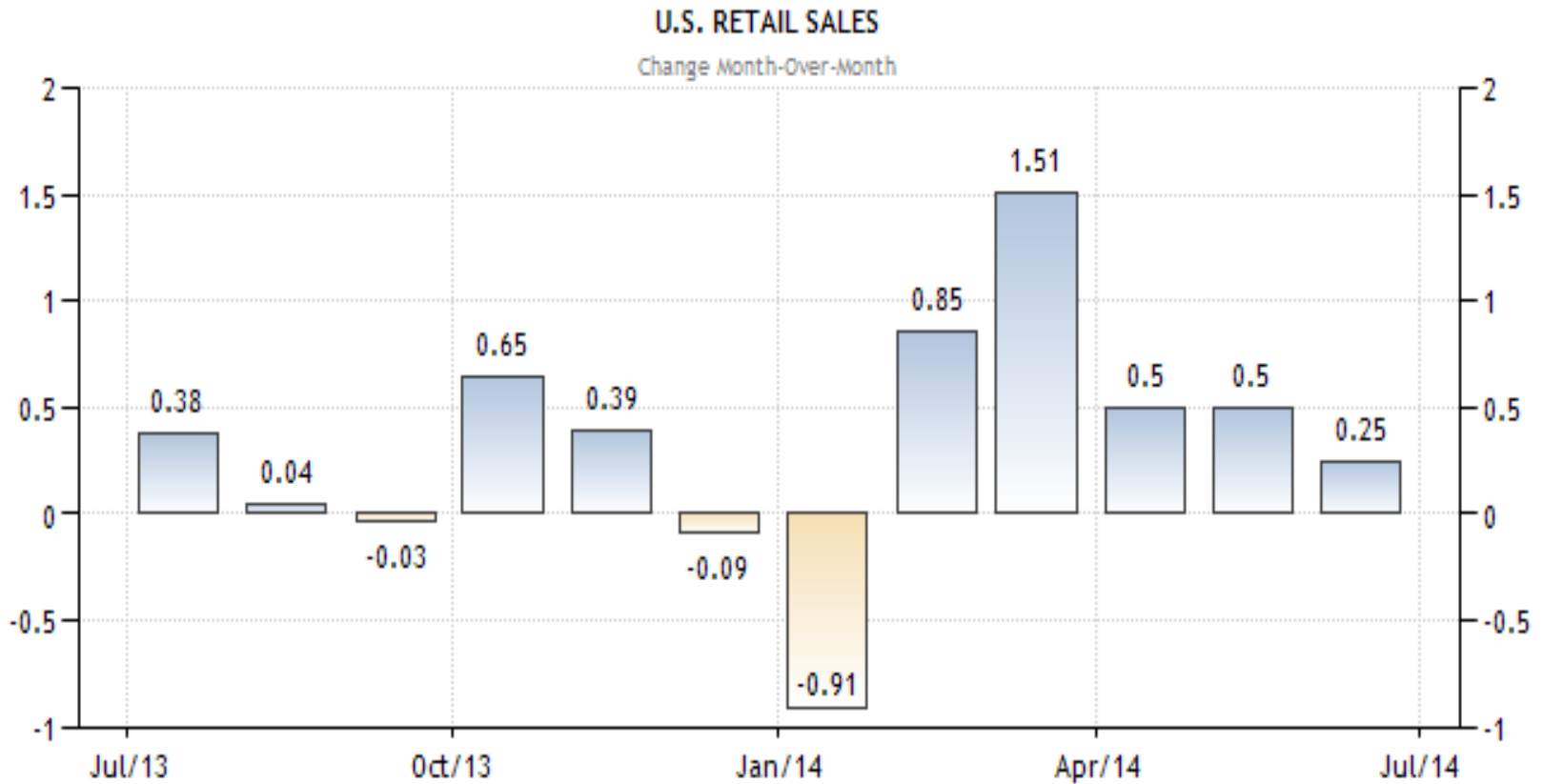
“I carry Mace[®] Brand pepper spray because I’ve had too many close calls. I’m not embarrassed to put my and my family’s safety ahead of my ego.”



Ashley | Young Professional

“I carry Mace[®] Brand pepper spray because everybody has the right to be safe.”

Retail Sales 2014



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. CENSUS BUREAU

Retail Sales 2014

Retail sales at clothing stores went down 0.6 percent;

Sales at electronics and appliance stores dropped 0.3 percent;

Sales at grocery stores fell 0.2 percent and those at food services and drinking places declined 0.2 percent.

Sales at general merchandise stores shrank 0.6 percent and those at sporting goods contracted 0.1 percent.

In contrast, sales in motor vehicles stores rose 1.4 percent and receipts in gasoline stations advanced 0.4 percent.

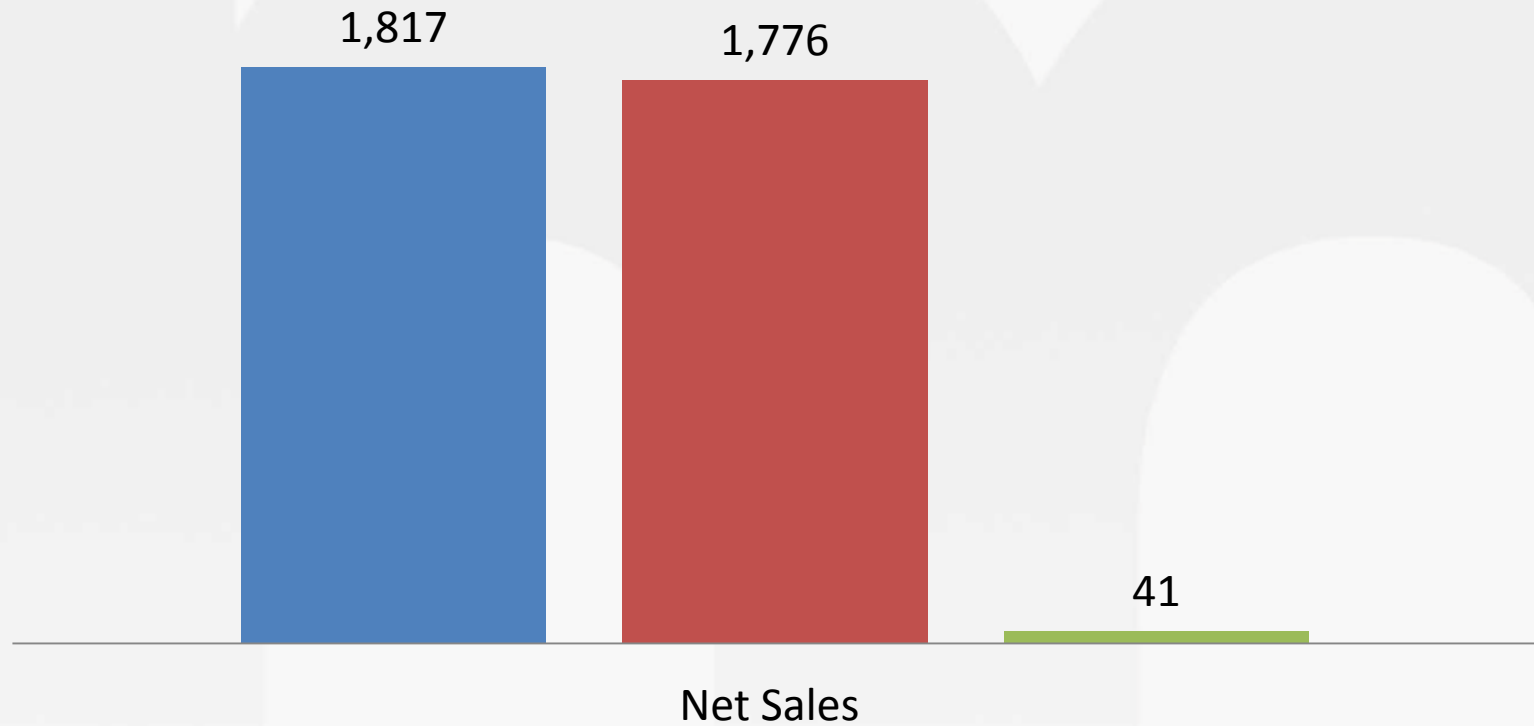
2014 Second Quarter Financial Results

Year	2014		2013	Variance
Net Sales	\$ 1,817	↔	\$ 1,776	+ 2.3%
Gross Profit	\$ 598	↔	\$ 754	- 20.6%
GP %	32.9%		42.4%	- 22.4%
SG&A Expenses	\$ 1,185	↔	\$ 1,384	- 14.4%
Oper Exp %	65.2%		77.9%	
Net Loss	\$ (192)	↔	\$ (841)	- 77.2%
ADJUSTED EBITDA				
Less notable expenses	\$ (119)	↔	\$ (613)	- 80.6%

Revenue Comparison

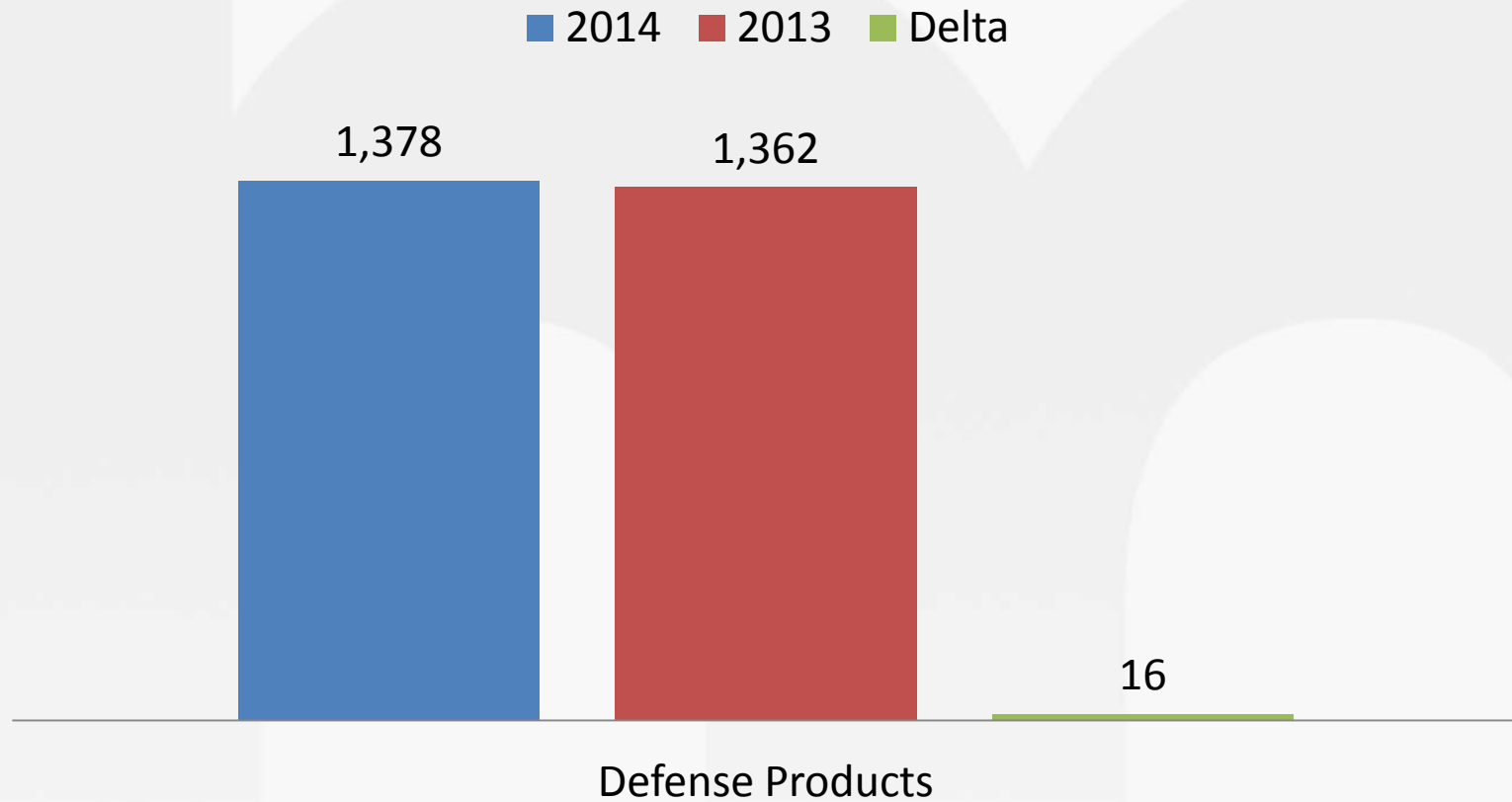
2nd Quarter 2014 Net Sales

■ 2014 ■ 2013 ■ Delta



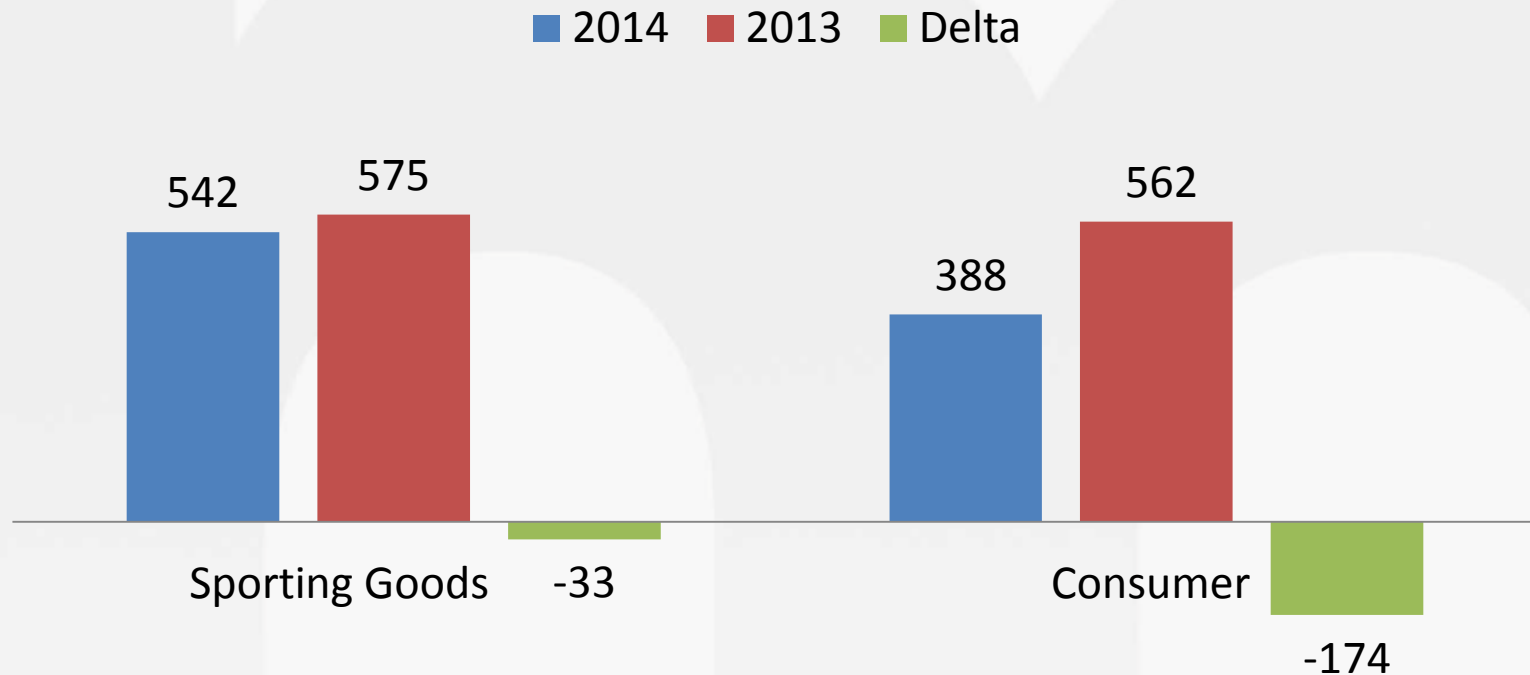
Revenue Comparison

TRADITIONAL DEFENSE PRODUCT SALES



Revenue Comparison

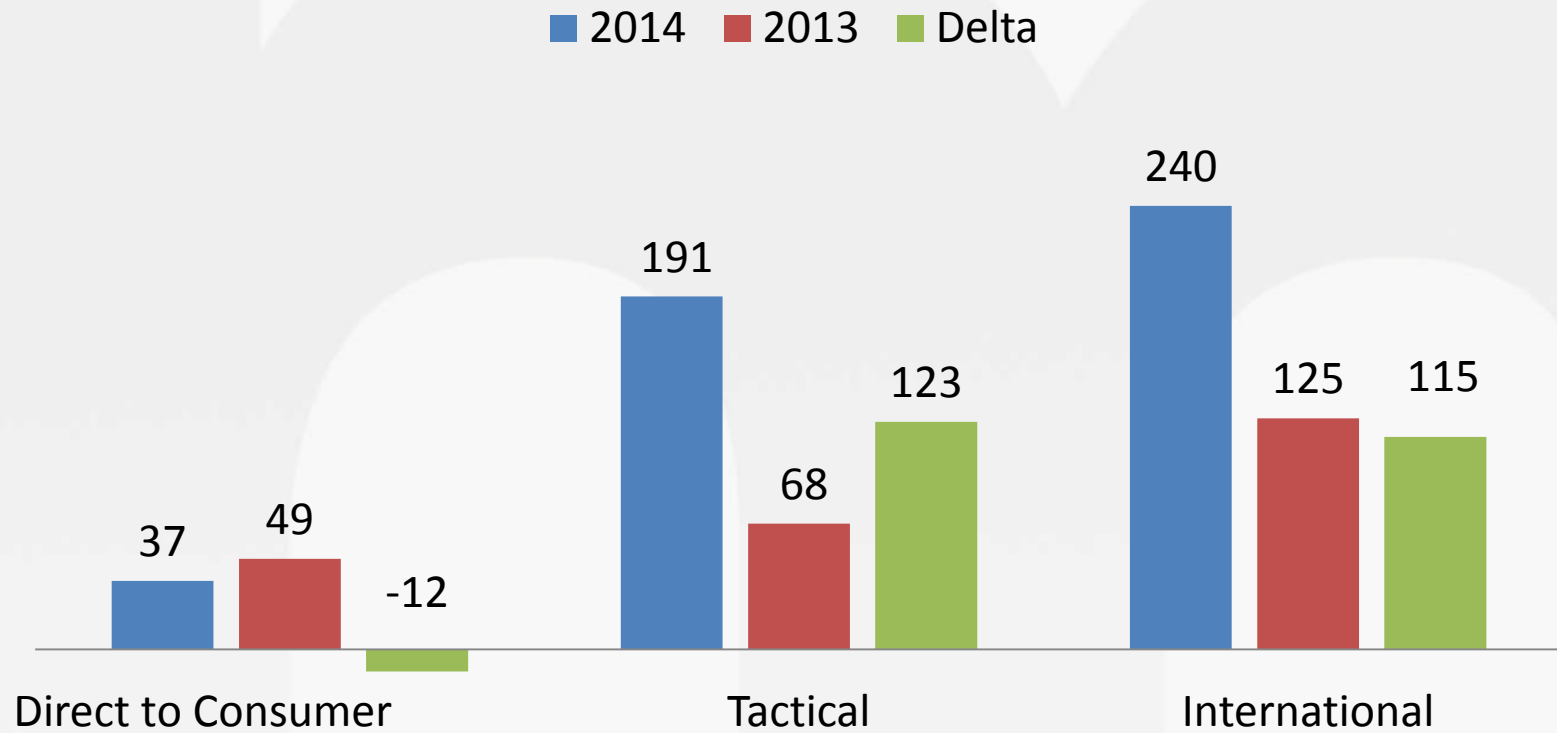
TRADITIONAL DEFENSE PRODUCT SALES BY SIGNIFICANT CHANNEL



We actually gained distribution in Sporting Goods and Consumer but foot Traffic continues to be sub-par and below expectations

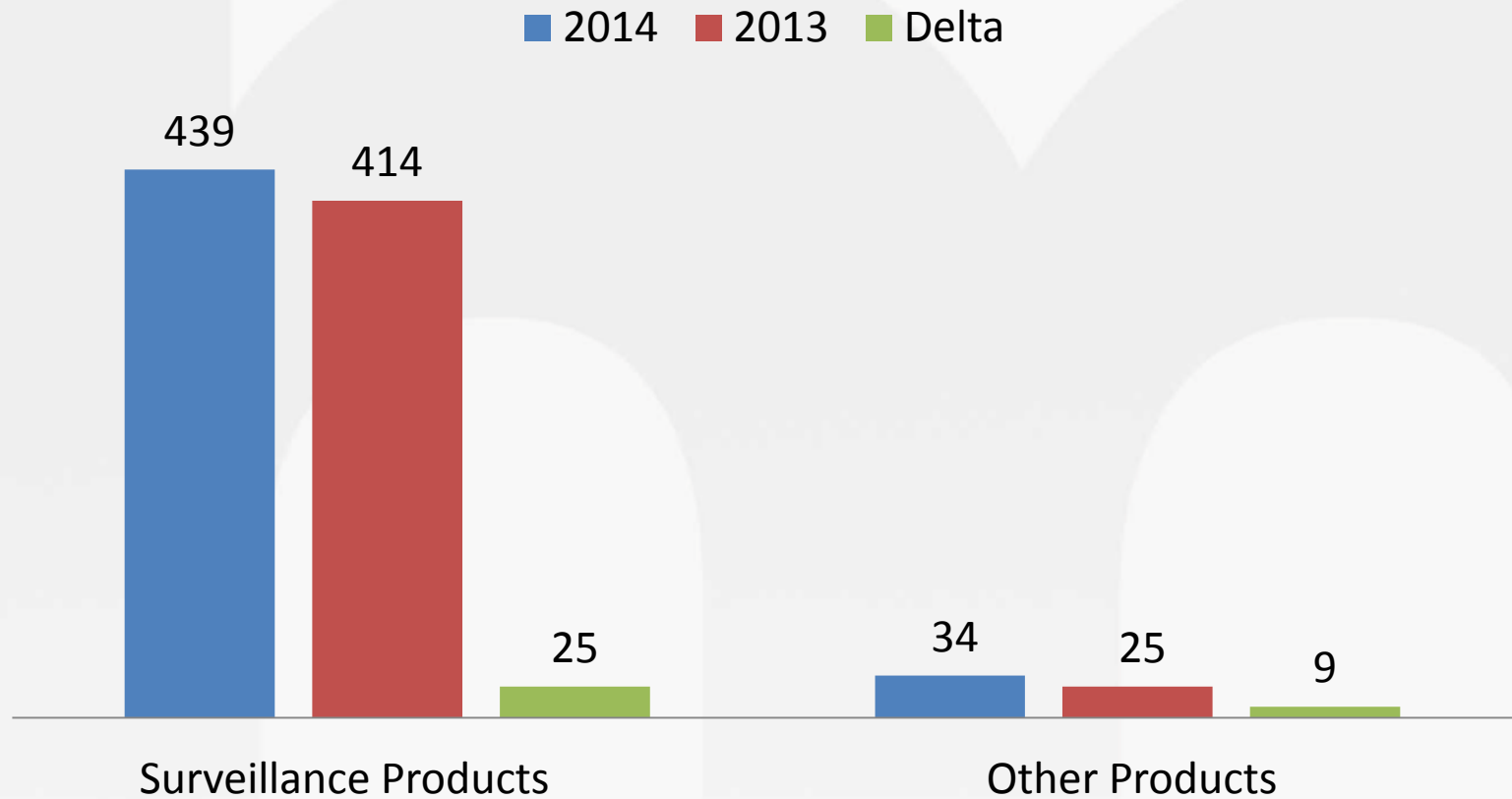
Revenue Comparison

TRADITIONAL DEFENSE PRODUCT SALES BY SIGNIFICANT CHANNEL



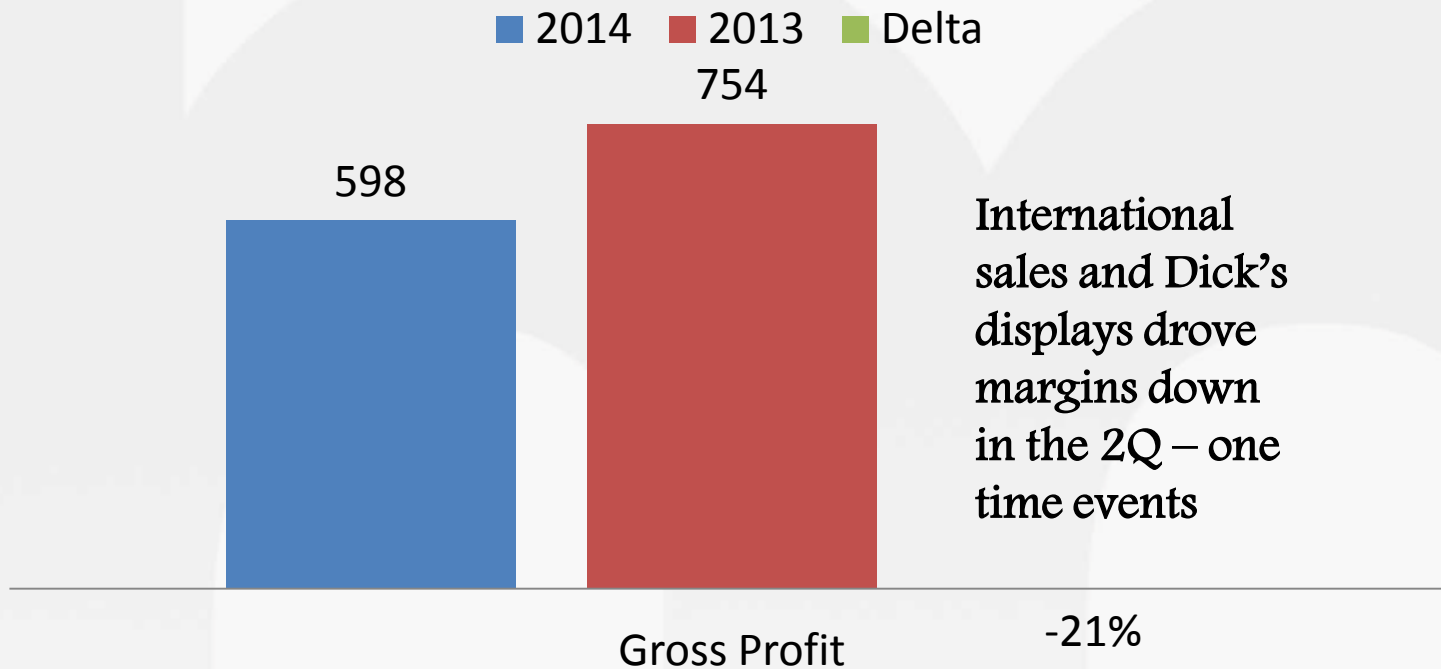
Revenue Comparison

TRADITIONAL SURVEILLANCE & OTHER PRODUCTS

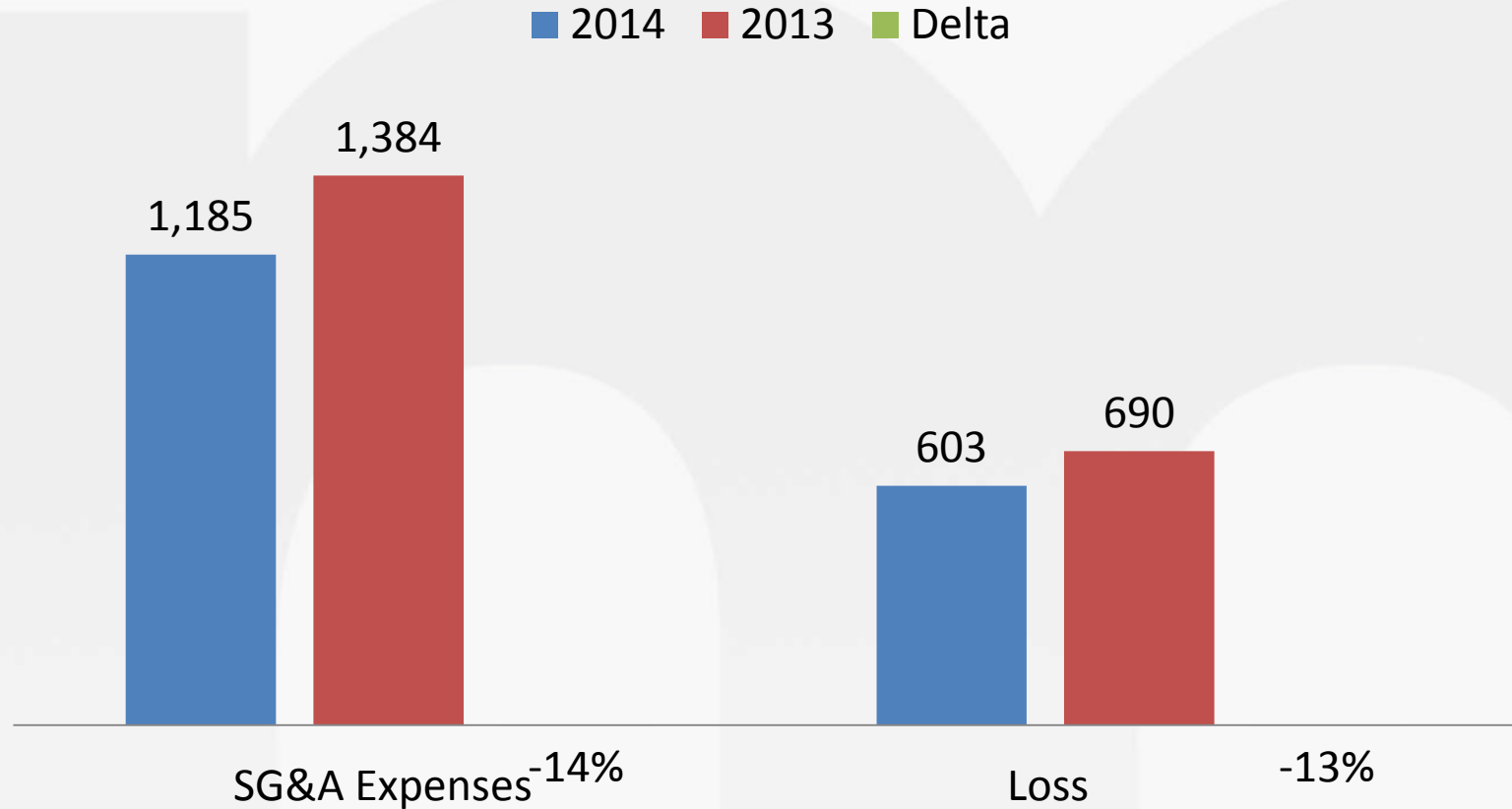


2014 Financial Performance

Gross Margin Comparison

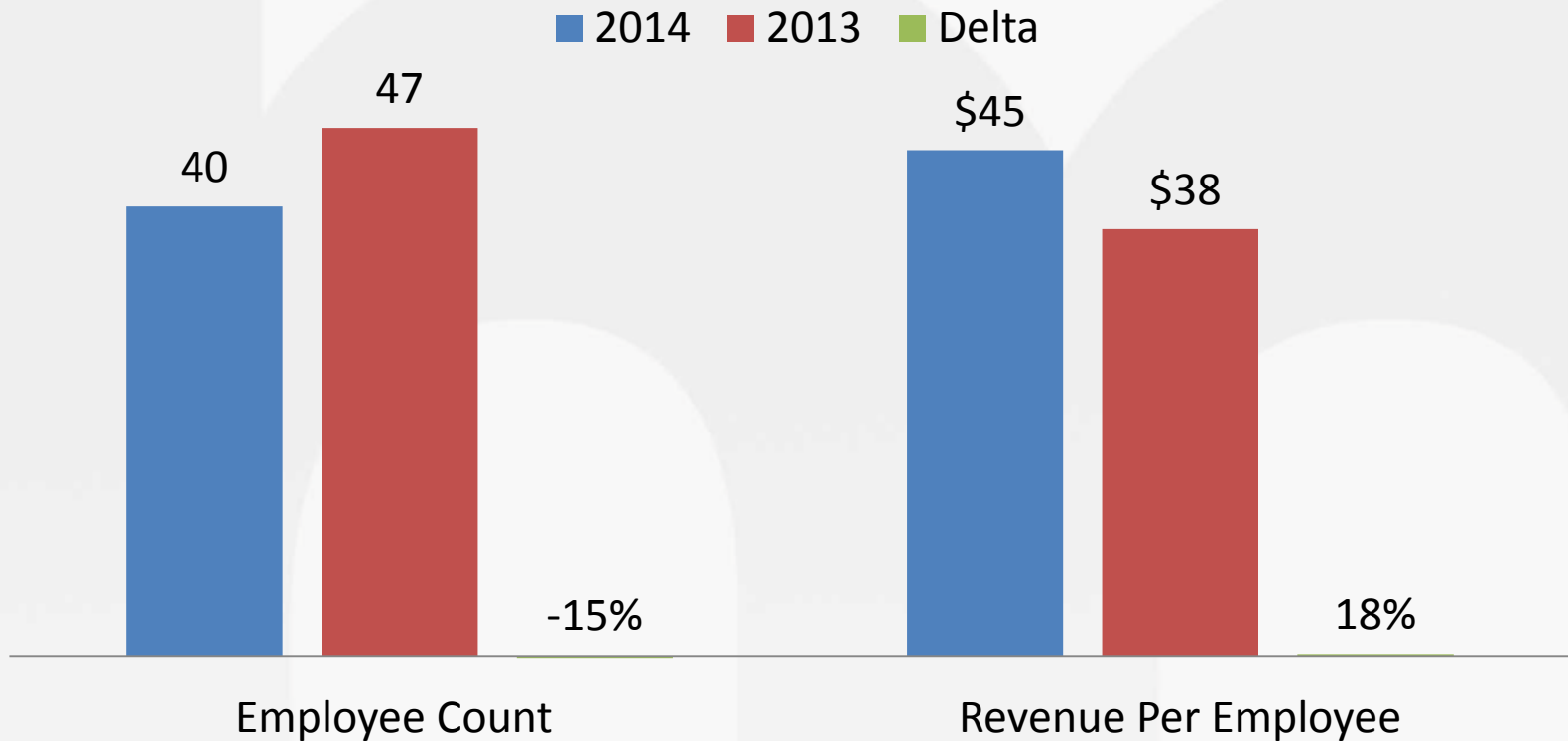


2014 Financial Performance SG&A Comparison



2014 Financial Performance

Revenue Per Employee Comparison



2014 Notable Events Second Quarter

TG Guard Sales more than
doubled versus a year ago

International Sales increased
45% versus a year ago
New Territories & accounts
drove the sales increases

2014 Notable Events Second Quarter

Tactical sales increased
117% versus prior year
sales

- We continued to open new accounts and territories

Surveillance Products
and Monitoring Products
Increased by 5.3% versus
prior year sales

2014 Notable Events Second Quarter

Sporting Goods net sales decreased 5.8% – due to slow retail sales and a large drop in gun sales

Consumer Channel sales decreased 31% mostly due to low retail traffic

2014 Notable Events First Quarter

Operations Update

- Manufacturing is continuing to improve and we anticipate increased efficiencies in the year

Sales Update

We did still open several new accounts including –

Cabelas

Meijers

Wal-Mart

Wal-Mart.com

Sales Update

We have maintained exclusives with

Sears/ K Mart

DSG

TSA

ACE

AutoZone

New Relationships/Products

The Pepper Shield Handle –

1. Mace controls manufacturing/assembly
2. Exclusively Mace branded
3. Rights to all channels of distribution
4. Royalty payment to inventor on sales made only
5. Inventor agreement to co-market with Mace team
6. New related products included under this agreement

Status: Fully Executed Agreement

New Relationships/Products



New Relationships/Products

The Defender – Pangaea Services –

Smart pepper spray unit that takes a picture, sounds an alarm and a prerecorded voice message, additional features includes medical alert – if user has specific medical issues or allergies – system is set up to notify a central station (SP) and identifies the location of the user via Bluetooth connection to GPS in smart phone. Triangulates the last position of the device to pin point location

Status: Binding LOI signed.

New Relationships/Products

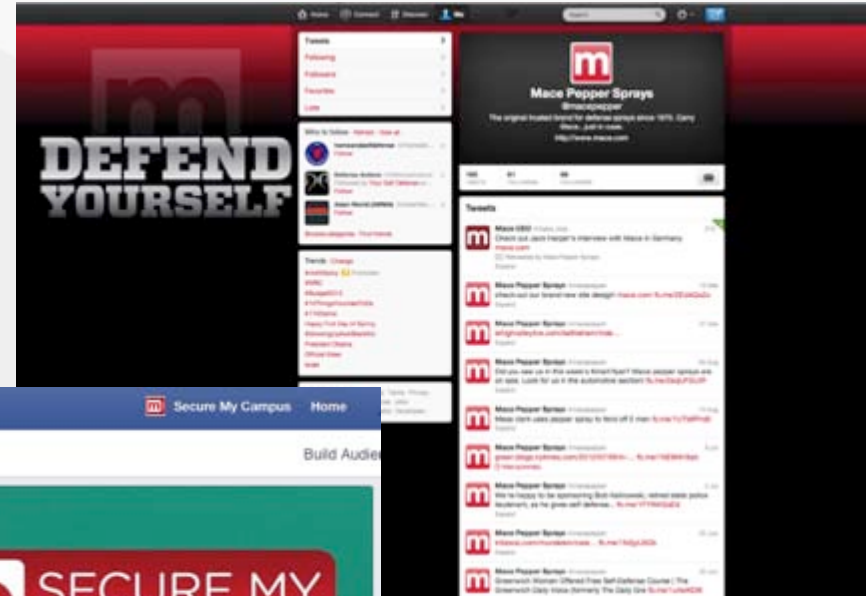
The Defender – Pangaea Services –





Marketing

Social Media — Facebook & Twitter



8/4/2014

Mace Means Security...Personal. Home.
Schools. Business

We are continuing to work on to direct to consumer strategies

MORE INFO

\$695 without 17" Surveillance Monitor

BUY NOW

MORE INFO

\$1,195 without 17" Surveillance Monitor

BUY NOW

Looking for something different?
We offer custom solutions and kits.

REQUEST A QUOTE

Access Your Cameras From Anywhere



Desktop/Laptop

VIEW DEMO



Tablet

VIEW DEMO



Smart Phone

VIEW DEMO

Personal Defense

- Pepper Spray
- Personal Alarms & Home Protection
- Take Down, TG Guard, other products

maceview

- SQ Series (Standard Quality Analog Surveillance)
- HD Series (High Definition IP Surveillance)

macealert

- DIY Alarm System (WiFi self install /self monitored)
- DIY Alarm System (GSM/WiFi /Video Verify self install... self or CS monitored)

easywatch

- Amazon cloud based Wifi IP Camera self monitoring

CS Services Pro Dealer Program

- Burg, Fire, Video, PERs monitoring
- Access to service enabled smart products

Consumer Direct Web/Telemarketing

Consumer Mass Retail

Tactical

Alarm Dealers / Security System Installers

Our Mission at Mace® is empowering your world through safety & security. We have a diverse, high quality product line that fits any type of lifestyle and environment.



Customers

Deliver best in class products & services for our partners & customers

Employees

Be a great place to work where people are inspired to be their best and achieve their goals

Shareholders

Be a disciplined, forward-thinking brand driven to maximize shareholder value

