



B R A N D

mace®

The #1 recognized brand in non-lethal personal safety products



Welcome!

MACE

Annual Shareholder Meeting

July 13, 2021

Sanjay Singh, Executive Chairman
Gary Medved, CEO/President
Mike Weisbarth, CFO



Introduction to Mace Security International, Inc. (OTCQX – MACE)

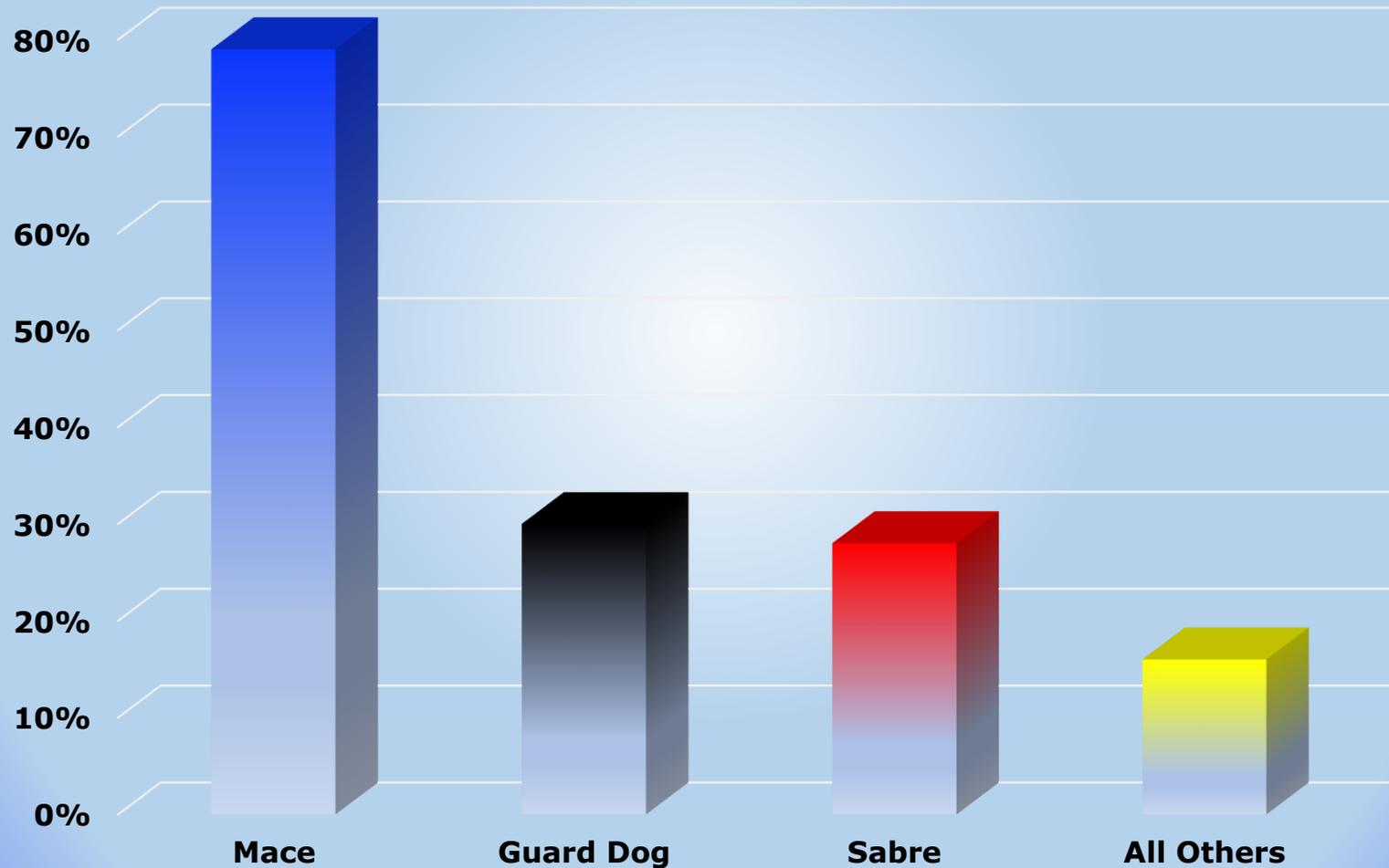
- Mace Security International, Inc., located in Cleveland, Ohio, is a manufacturer and provider of personal safety and security products to consumer and law enforcement markets worldwide
- Mace[®] Brand is the original manufacturer and market leader in the defense spray segment and has over 50 years experience developing aerosol defense spray dispensing technologies for both the consumer and tactical markets around the world. The Company also markets products through the well respected Vigilant[®], Tornado[®], and Takedown[®] brands
- Mace[®] directly distributes and supports its branded products through strategically targeted customer channels that include selected retailers, wholesale distributors, independent dealers, e-commerce channels, and its website, www.mace.com

Our Mission

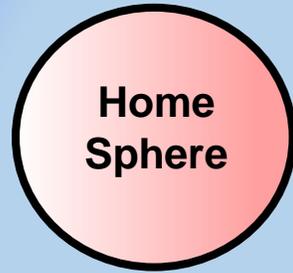
**Providing
Community & Family Safety
through
Individual Empowerment**

Powerful Brand Awareness

(Among Male Buyers, Armed Women, and Unarmed Women)



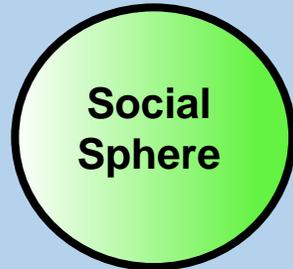
Total Addressable Market



128M households in America



5.6M employer firms in USA
99.7% are less than 500 employees



209M+ citizens over the age of 18

Target Wallet: 5% of overall potential - equates to an estimated incremental \$70M in the next 3-5 years

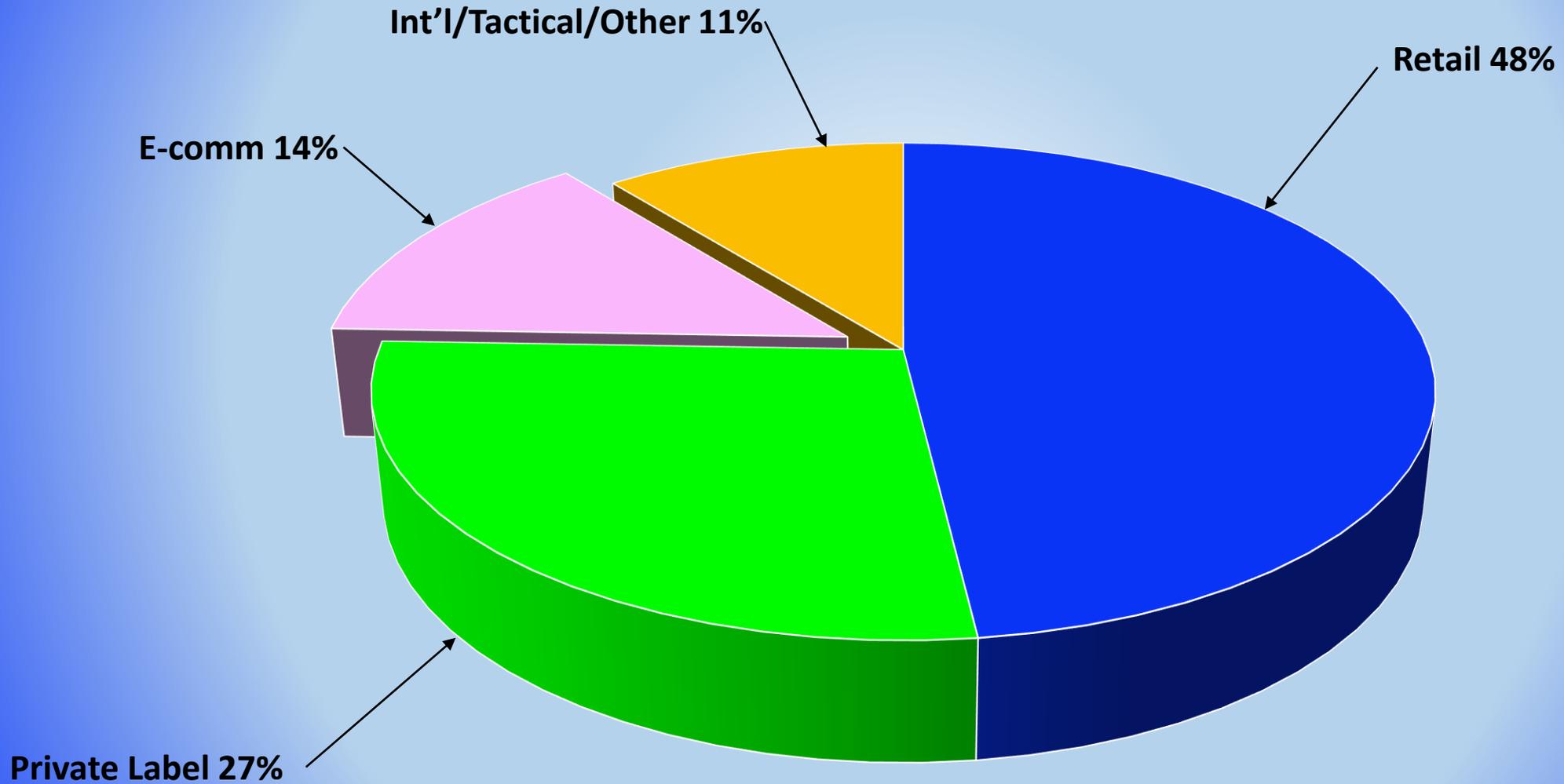
Our Focus Going Forward

- **Omni-channel approach**
- **New Products**
- **15% EBITDA**

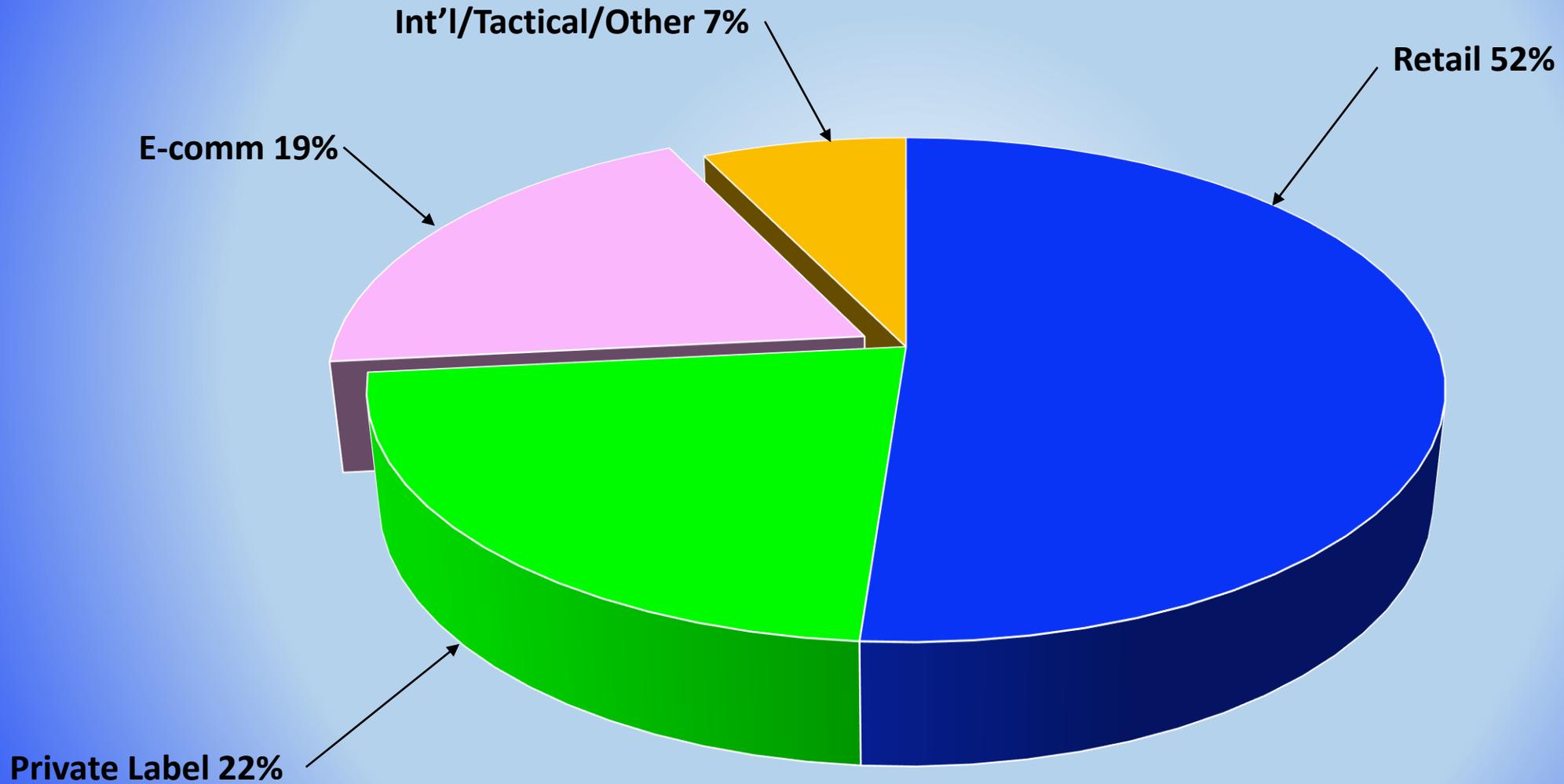
Omni-Channel Update

- Retail Platform:
 - Two national retailers adding 3 total SKU's 3Q21 (total 4,000 doors)
 - Adding 4 new national retailers (2 brick/mortar & 2 online) 3Q21
- Introducing 2-3 new products 4Q21
- Digital Platform
 - Sales increased more than 60% in 1H21 vs. 1H20
 - Key Initiatives
 - Targeting DTC growth of 200-500% of current baseline
 - Continued brand development
 - Website/content/social media development
 - Increasing Digital ad spend 100%
 - Short-term goal is to obtain 400%-500% ROAS
 - Continued SEO

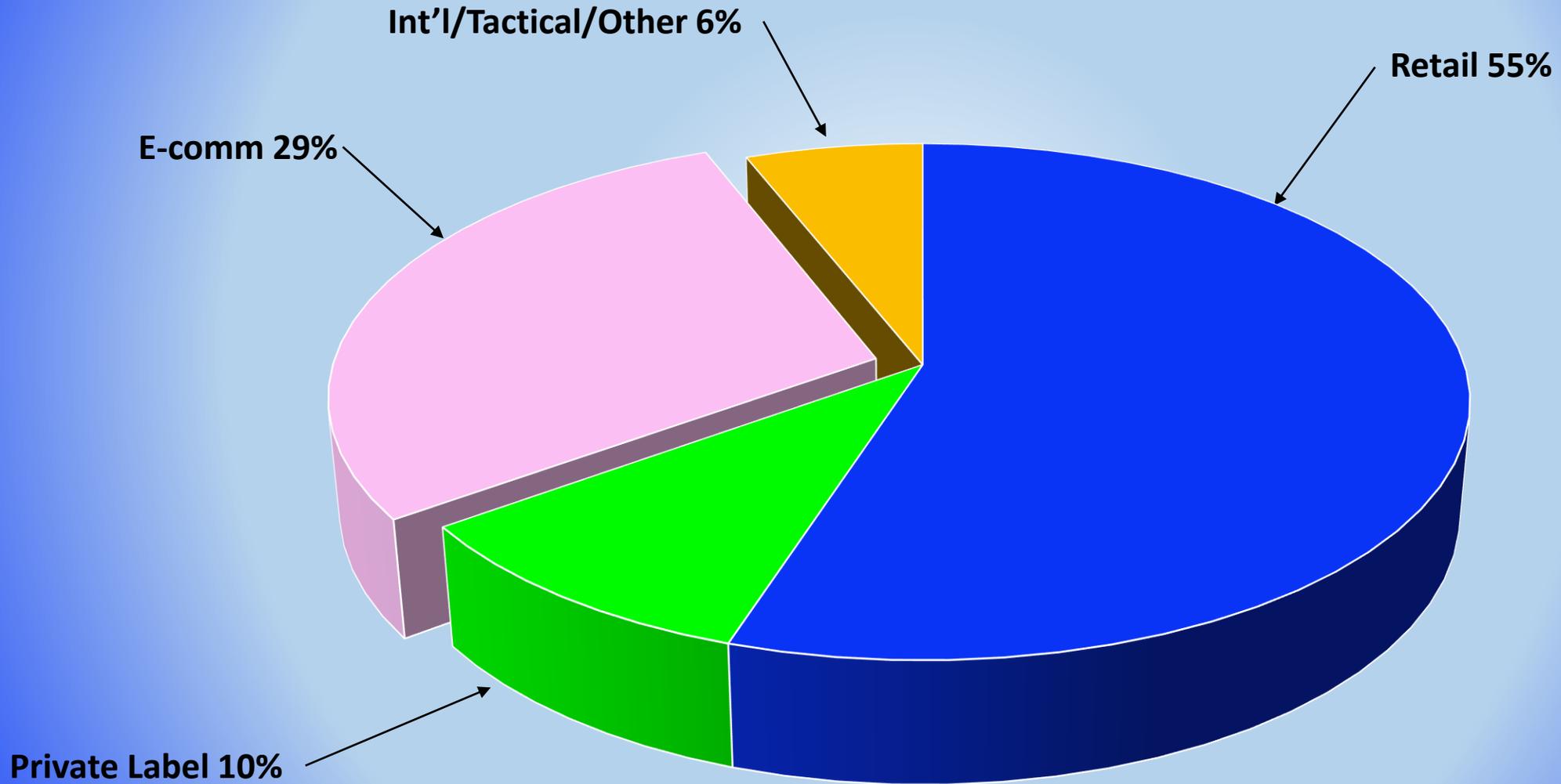
2019 Sales Distribution



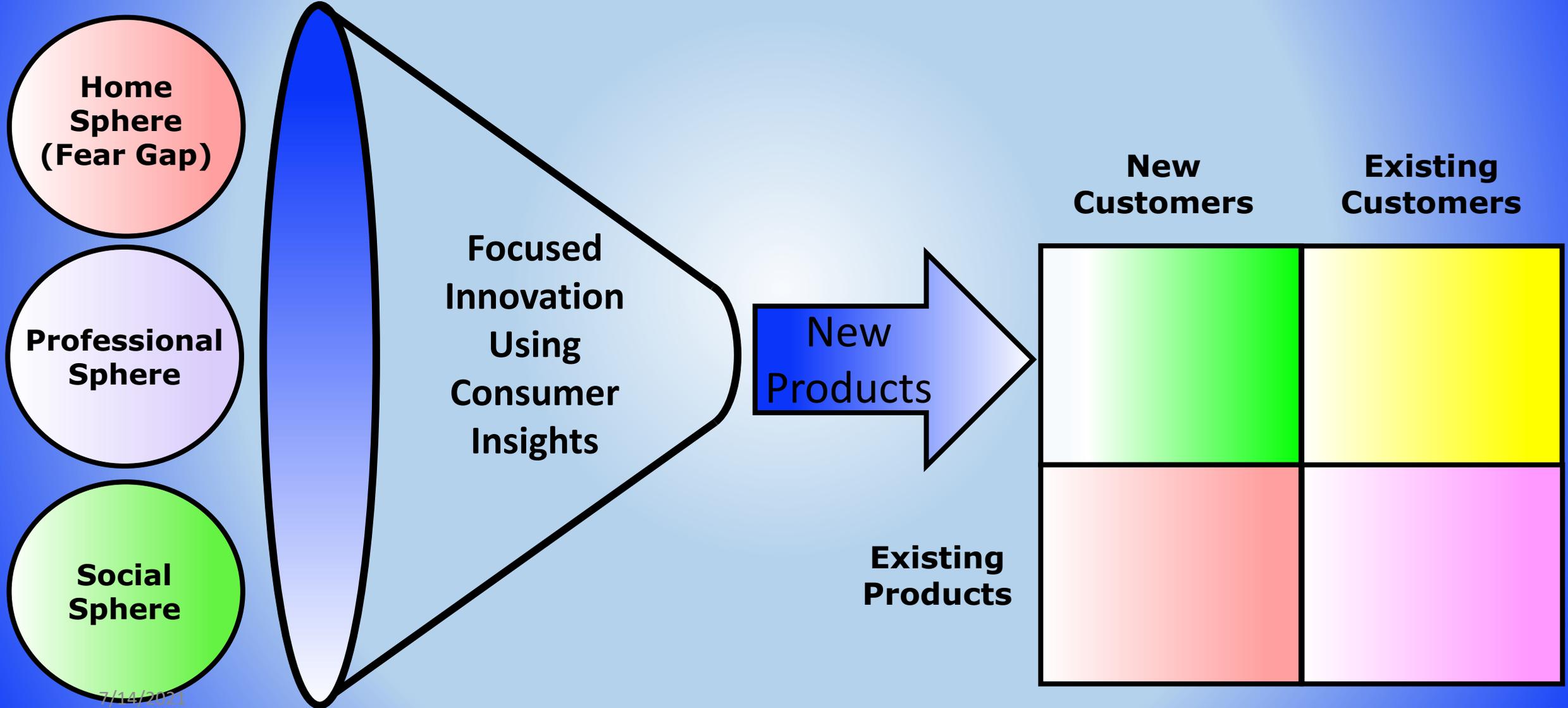
2020 Sales Distribution



1H21 Sales Distribution



New Product Approach



Refreshed Product Lineup



1Q21 New Product Introductions



Palm Stun Device
#7 Selling Item YTD at mace.com
(< 4 months)



Guard Alaska Bear Spray
Sales UP 1,200% YTD
(Top 20 at mace.com)



Neon Triple Action Pepper Spray
Top 20 at mace.com
(<3 months)

Select Financial Stats through 1Q21

Income Statement (\$MM)

	FY 18	FY 19	2020				1Q 21
			1Q	2Q	3Q	4Q	
Sales	\$ 11.5	10.5	2.8	3.5	4.8	4.4	3.3
Sales Change YOY	15.1%	(8.6%)	3.0%	16.0%	94.0%	86.0%	18.4%
Gross Margins	36.7%	36.2%	38.7%	40.8%	41.1%	39.9%	38.6%
SG&A	\$ 4.8	5.1	0.9	0.8	1.2	1.2	1.1
EBITDA	(1.5)	(1.2)	0.2	0.6	0.8	0.6	0.3
Margin %	(13.3%)	(11.5%)	8.6%	17.2%	17.3%	13.4%	7.6%

Treasury (\$MM)

	FY 18	FY 19	2020				1Q 21
			1Q	2Q	3Q	4Q	
CASH	\$ 0.2	0.3	0.4	1.6	0.5	0.8	0.8
DEBT	\$ 1.0	1.1	1.0	1.6	1.0	0.9	0.9
DSO	59	75	84	76	70	71	80
DSI	109	98	143	132	107	99	119
MARKET VALUE	\$ 17.7	15.8	8.9	17.3	28.8	25.0	36.0
OCF/ASSETS	(5%)	(1%)	1%	12%	2%	4%	1%

Revenue Drivers/Headwinds

- Fear/Uncertainty
 - COVID-related social behavior
 - Social unrest
 - Riots have faded
 - Fear & lack of peace of mind persist
 - Increasing crime rates
- Consumer Spending
 - Consumer confidence
 - Working from home
 - Unemployment rate
 - Spending has shifted to dining out, travel and services
- Inflation:
 - Biggest surge in inflation in 13 years
 - Prices of basic staples/gas increasing
 - Stimulus/Unemployment stipend (\$300) ending?
- Supply Chain
 - Shipment disruptions from Asia
 - Labor & material shortages in US
 - Price increases of raw materials
- Private Label
 - Resourcing
- Seasonal/Weather
 - Outdoor activities (e.g. camping)
 - Health-related (e.g. running)
- Back-to-school
 - College attendance
 - Impact of virtual schooling

Inflation

US inflation sees highest levels since 2008

Consumer Price Index for all urban consumers, % change from a year ago



Source: US Bureau of Labor Statistics



Global Food Prices Keep Rising

FAO global food price index 2018-2021*



* 100 = 2014-2016 average price level

Source: FAO

2H21 View of our business

- We are seeing the impact of the headwinds described earlier
- We continue to manage thru these headwinds with various initiatives
- We believe the slow down is temporary - but unsure of timing on pick-up
- Gross profit of 50% may be delayed while we work thru this softening
- Cost adjustments are necessary - but our focus on growth will remain

Investment Thesis

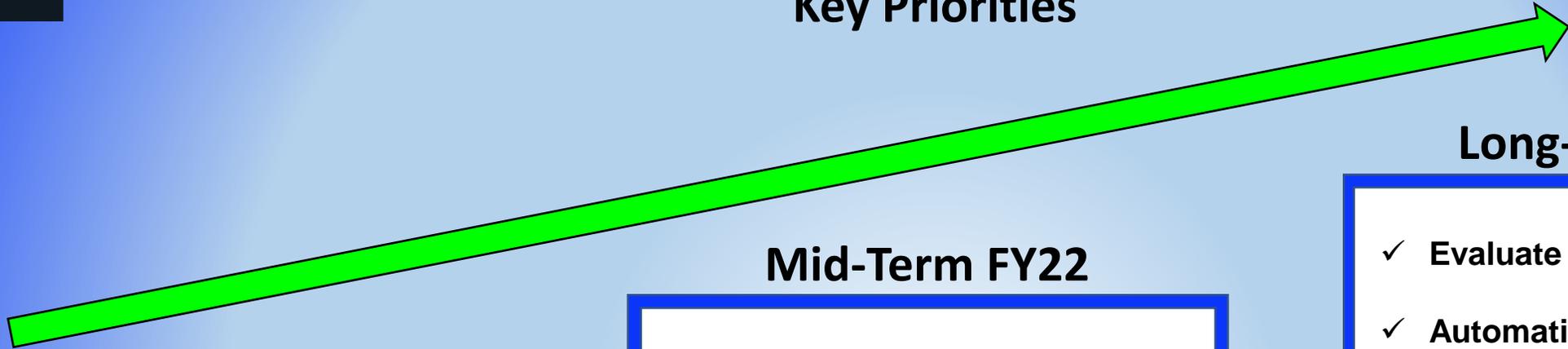
- Market leader in Brand Awareness
- Favorable Climate for Non-Lethal Personal Safety and Security Products
- Conservative balance sheet, low capital intensity, access to capital markets
- Transparency in governance and public reporting

Additional Investment Insights

- Debt-Free as of June 30, 2021
- NOL Analysis: Company has approximately \$51M in tax NOL Carryovers, or \$0.80 per share of (gross) NOL
- Less than \$5M expiring by the end of 2022
- Additional opportunities to monetize NOL's include licenses or royalties, strategic partnerships, or tax shield for acquisitions
- Mace follows transparent public reporting, and strong governance through a diverse, independent and annually-elected BOD

Positioned for Growth

Key Priorities



Short-Term - FY21

- ✓ Add 4 new retailers (B&M + OL)
- ✓ Increase DTC by 50%
- ✓ Launch 4 new products
- ✓ Decrease working capital annual requirements by 20%
- ✓ Drive towards (min) 50% GP
- ✓ Target 15% EBITDA Run Rate

7/14/2021

Mid-Term FY22

- ✓ Reduce process steps by 30%
- ✓ Add 4 new retailers (B&M + OL)
- ✓ Launch 4 additional new products annually
- ✓ Increase DTC by additional 50%
- ✓ Drive towards (min) 50% GP
- ✓ Target 20%+ EBITDA

Long-Term 2+ YRS

- ✓ Evaluate acquisitions
- ✓ Automation of order-to-ship process
- ✓ International markets
- ✓ Licensing deals



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Thank you for your interest in Mace®