

**Mace Security International, Inc.**

**Annual Information and Disclosure Statement**

**December 31, 2020**

## **Forward-Looking Statements**

Certain statements and information included in this Annual Information and Disclosure Statement constitute “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. When used in this Annual Information and Disclosure Statement, 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 Federal Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to several known and unknown risks and uncertainties that may cause our actual results, trends, performance or achievements, or industry trends and results, to differ materially from the future results, trends, performance or achievements expressed or implied by such forward-looking statements. Those risks and uncertainties may include, but are not limited to, (a) general economic and business conditions, including the impact of the 2020 (COVID-19) pandemic and other possible pandemics and similar outbreaks; (b) competition; (c) potential changes in customer spending; (d) acceptance of our product offerings and designs; (e) the variability of consumer spending resulting from changes in domestic economic activity; (f) a highly promotional retail environment; (g) any significant variations between actual amounts and the amounts estimated for those matters identified as our critical accounting estimates, as well as other significant accounting estimates made in the preparation of our financial statements; and (h) the impact of current and potential hostilities in various parts of the world, as well as other geopolitical or public health concerns. You are urged to consider all such factors. Because of the uncertainty inherent in such forward-looking statements, you should not consider their inclusion to be a representation that such forward-looking matters will be achieved. Mace Security International, Inc. assumes no obligation for updating any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

## **Part A General Company Information**

### **Item 1 The exact name of the issuer and its predecessors (if any)**

Mace Security International, Inc. (the “Company”)

### **Item 2 The address of the issuer’s principal executive offices**

Mace Security International, Inc.  
4400 Carnegie Avenue  
Cleveland, OH 44103  
Phone: (440) 424-5321  
Fax: (216) 361-9555  
Website: [www.mace.com](http://www.mace.com)

Investor Relations: Michael Weisbarth  
Phone: (216) 539-0485  
Email: [mweisbarth@mace.com](mailto:mweisbarth@mace.com)  
Address: Same as above

### **Item 3 The jurisdiction(s) and date of the issuer’s incorporation or organization**

Mace Security International, Inc. is a Delaware corporation incorporated on September 1, 1993.

**Part B Share Structure**

**Item 4 The exact title and class of securities outstanding**

The Company has 64,224,228 shares of Common Stock outstanding at December 31, 2020. The Company's CUSIP number is 554335208. The Company's trading symbol is MACE.

**Item 5 Par or stated value and description of the security**

The par value of Common Stock is \$0.01 per share. No shares of preferred stock are outstanding. Each holder of Common Stock of the Company has one vote in respect to each share of Common Stock held by that holder on all matters voted upon by our stockholders and is entitled to receive dividends only if and as declared by the Company's Board of Directors.

Certain provisions of our certificate of incorporation and our bylaws could delay, defer or prevent a change in control of the issuer including the following:

- (i) Our board of directors has the exclusive right to fill vacancies and set the number of directors; and
- (ii) Cumulative voting by our shareholders is not allowed.

**Item 6 The number of shares or total amount of the securities outstanding for each class of securities authorized**

**Common Stock**

|       |  |                   |                   |
|-------|--|-------------------|-------------------|
| (i)   | Period end date:                       | December 31, 2020 | December 31, 2019 |
| (ii)  | Number of shares authorized            | 100,000,000       | 100,000,000       |
| (iii) | Number of shares outstanding           | 64,224,228        | 63,319,834        |
| (iv)  | Freely tradable (public float)         | 33,488,365        | 33,871,828        |
| (v)   | Total number of shareholders of record | 96                | 82                |

The number of beneficial shareholders of Mace Security International, Inc. owning at least 100 shares exceeds 50.

**Preferred Stock**

|        |  |                   |                   |
|--------|--|-------------------|-------------------|
| (vi)   | Period end date:                       | December 31, 2020 | December 31, 2019 |
| (vii)  | Number of shares authorized            | 10,000,000        | 10,000,000        |
| (viii) | Number of shares outstanding           | -                 | -                 |
| (ix)   | Freely tradable (public float)         | -                 | -                 |
| (x)    | Total number of shareholders of record | -                 | -                 |

**Item 7 The name and address of the transfer agent**

American Stock Transfer & Trust Company, LLC  
6201 15<sup>th</sup> Avenue  
Brooklyn, New York 11219  
Phone: (718) 921-8200 x4801 or (800) 9374-5449 x4801

The Company's transfer agent is registered under the Securities Exchange Act of 1934 and is an authorized transfer agent subject to regulation by the U.S. Securities and Exchange Commission.

## **Part C Business Information**

### **Item 8 The nature of the issuer's business**

#### **A. Business Development**

Mace Security International, Inc. was incorporated in the State of Delaware in 1993. The Company is a well-known producer and distributor of personal safety and security products, accessories and OC/tear gas deployment systems.

The Company believes it is one of the leading manufacturers and distributors of personal safety and security products. The Company was founded in Vermont in December 1987 under the name Mark Sport, Inc. by obtaining an exclusive license to produce and market defense sprays under the Mace® Brand trademark to the consumer market within the continental United States, and a non-exclusive license to market defense sprays outside of the continental United States. In 1992, this license was renegotiated to include a purchase option. The Company exercised its option to purchase the Mace® Brand trademark in December 1993, including all rights, title and interest to the Mace® Brand and related trademarks.

The Company changed its name to Mace Security International, Inc. in September 1993. In November 1993, prior to its initial public offering, it merged into a new company incorporated in the state of Delaware.

During the following two decades, the Company acquired various entities in the consumer safety product segment, including electronic surveillance equipment, law enforcement chemical product, and wholesale security monitoring businesses. In 1999, the Company merged with American Wash Services, Inc. and the Company became the first publicly traded national car wash chain.

In 1998, the Company sold its law enforcement chemical product business and the exclusive right to use the Mace® Brand when selling aerosol defense sprays to the law enforcement market.

In 2006, the Company decided to divest its Car Wash Segment. By September 2011, all but three of the Company's car wash facilities were sold. The Car Wash Segment ceased operations in August 2012. By late 2013, the Company had disposed of all former car wash facilities.

In December 2013, the Company completed the sale of its wholesale security monitoring business. In December 2015, the Company exited the electronic surveillance equipment business and in November 2016, the Company completed the sale of its electronic surveillance equipment business.

In March 2017, the Company completed the purchase of the business and substantially all related operating assets of Washington Laboratories, LLC, a custom manufacturer of high-quality defense spray products, for a total purchase price of approximately \$3,443.

In October 2017, the Company completed the purchase of the business and substantially all related operating assets of Vigilant Personal Protection Systems, a top-rated personal security and home medical product ecommerce marketing business, for a total purchase price of approximately \$1,063.

In January 2019, the Company acquired the assets of Tornado Security Products, a personal self-defense business based in Ferndale, Washington, for \$115 of cash and \$65 of forgiven accounts receivable, \$1 of assumed liabilities. The purchase price for the business and related assets is subject to an earn-out

calculation providing for additional consideration of up to \$175 cash, which may be paid out through January 2022. In the second quarter of 2020, the Company renegotiated the earn-out with the Sellers of the business and paid it in full with a payment of \$24 and issuance of 325,166 common shares with a fair market value of \$56. This renegotiation resulted in the recognition of a gain of \$27 in the second quarter of 2020.

During the immediately preceding three years and through the date of this information statement, other than as discussed above:

- a.) The Company has not been involved as a debtor in any bankruptcy, receivership, or any similar proceeding,
- b.) There have not been any material reclassifications, mergers, consolidations or purchases or sales of any significant amount of assets, other than as disclosed above,
- c.) The Company has not defaulted on the terms of any note, loan, lease or other indebtedness or financing arrangement requiring the issuer to make payments,
- d.) There has been no change in control of the Company, except as described in Note 12 Stock-Based Compensation to the Company's December 31, 2020 consolidated financial statements and are incorporated herein by reference from the Company's 2020 Annual Report filed separately through the OTC Disclosure and News Service, and available at [www.otcmarkets.com](http://www.otcmarkets.com).
- e.) There has not been any increase of 10% or more in any class of securities of the Company,
- f.) There has not been any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off or reorganization,
- g.) There has not been any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board, and
- h.) The Company was not a defendant in any material or significant litigation.

The Company's securities qualified for trading on the OTCQX Markets and commenced such trading on February 16, 2017.

The Company's fiscal year end is December 31.

## **B. Business of the Issuer**

Mace Security International, Inc., located in Cleveland, Ohio, is a manufacturer and distributor of personal defense and security products to retailers and consumers under the world-renowned Mace® Brand. Mace® Brand is the original trusted brand for personal defense sprays. The Company continuously adds high quality security products to the brand line.

The Company distributes and supports its branded products through strategically targeted customer channels, which include mass market retailers, wholesale distributors, independent dealers, e-commerce platforms and e-commerce marketers. The Company also sells its branded products on its websites, [www.mace.com](http://www.mace.com).

Defense sprays are sold in the law enforcement market under the TakeDown® Brand. Personal alarms and related products are also sold under the Vigilant ® and Tornado® Brands.

The Company's SIC Code is 3999, Manufacturing Industrial, not elsewhere classified.

The Company is not a “shell company.” For purposes of this disclosure, a “shell company” means an issuer, other than a business combination related shell company, as defined by Securities Act Rule 405, or an asset-backed issuer, as defined by Item 1101(b) of Regulation AB that has:

- (1) No or nominal operations; and
- (2) Either:
  - a. No or nominal assets,
  - b. Assets consisting solely of cash and cash equivalents, or
  - c. Assets consisting of any amount of cash and cash equivalents and nominal other assets.

The Company’s subsidiaries are listed below:

| Company Name                | % of Ownership | State of Incorporation |
|-----------------------------|----------------|------------------------|
| Mace Trademark Corp.        | 100%           | Delaware               |
| Mace Trademark II, Inc.     | 100%           | Delaware               |
| Mace Tactical Solutions LLC | 100%           | Ohio                   |

The Company did not spend any material amounts on research and development activities during the last two fiscal years. There is no material effect on the Company to comply with existing and, to the Company’s knowledge, probable applicable governmental regulations of its business, including any governmental approvals, or the costs and effects of compliance with federal, state and local environmental laws.

At December 31, 2020, the Company employed 51 employees, all of whom were full-time employees, plus 13 full-time temporary employees provided by employment service companies.

**Item 9 The nature of products or services offered**

**A. Principal products or services, and their markets**

The Mace® Brand has a rich heritage and legacy. The Company is committed to innovation. Mace® Brand’s goal is to prepare people to protect themselves when it counts with the Company’s line of non-lethal personal safety products.

Mace® Brand pepper spray products are designed to allow one to defend oneself at a safe distance outside the arm’s reach of an attacker, giving one the chance to escape with time to reach safety. Pepper spray is also referred to as OC spray, since it is made from Oleoresin Capsicum, a natural ingredient derived from hot peppers. Pepper spray is powerful enough to temporarily impair an attacker. Mace® Brand pepper sprays are formulated to be a safe, effective, and less-than-lethal means of personal defense that is legal to use in all 50 states. Pepper spray is packaged in a variety of containers designed for various applications.

Mace® Brand pepper sprays come in pocket, personal, sport and police models and in a variety of colors and styles. The very popular Mace® Brand also sells a maximum strength pepper spray and UV dye. Most models have a key ring, so the pepper spray can be conveniently kept ready at hand and most come with a hinged safety cap that flips open to reveal the actuator button.

Mace® Brand Triple Action combines OC pepper spray, UV dye and tear gas to create a self-defense product that induces profuse tearing, shortness of breath, and disorients the attacker. The advantage of

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(Dollars in thousands, except share and per share data)

Mace® Brand Triple Action is that the spray does not necessarily have to hit the attacker directly in the face. The tear gas will quickly start to affect the attacker even if the spray hits some other part of the attacker.

Mace® Brand Muzzle® and Guard Alaska® defense sprays are specifically formulated to meet United States EPA regulations for effective and humane defense against dog aggression and threatening bear encounters. Whether one is jogging, bike riding, walking a dog, hiking or camping, Muzzle® and Guard Alaska® defense sprays are a deterrent for fending off animal attacks. The Company markets bear spray under the Mace® and Guard Alaska® Brands.

Mace® Brand Pepper Gel® combine the maximum strength formula of OC Pepper and invisible UV marking dye with the added sticking power of Mace® Brand Gel Stream Technology. This pepper gel formula delivers extreme deterring power that may temporarily blind an attacker from up to 25 feet away. Mace® Brand Pepper Gel® unique formula also reduces the risk of cross-contamination and blow back in windy conditions.

The Mace® Brand Pepper Gun® provides distance defense with convenient point-and-shoot accuracy. The advance delivery system sprays a power stream of OC pepper up to 20 feet and from any angle. The Company also manufactures and distributes easy-to-load refill cartridges.

The Company manufactures and distributes the Mace® Brand Water Trainer. The Water Trainer comes in the original Mace® Brand Flip & Grip model, which is designed to be fumble-free, safe and easy to use. This product offers customers an introduction to pepper spray and builds confidence as the Water Trainer simulates spraying actual pepper spray, without the effects of pepper spray.

In addition to pepper sprays, the Company distributes a line of Personal Safety Alarms and stun guns for personal protection. Personal Safety Alarms marketed under the Mace® Brand operate reliably with just a push of a button or a pull of a strap. These units are compact in size and easy to use and come in a variety of colors, including five (5) neon colors. Mace® Brand stun guns are compact and powerful. They come in a variety of designs and voltages. Stun guns include bright LED lights, on/off safety switches and charging options. These products are made by Asian suppliers to the Company's specifications.

The Company provides retailers with official point-of-purchase displays and in-store signage to help retailers boost sales of Mace® Brand products. This includes floor displays, header cards and clip strips, and countertop displays.

Take Down® Brand is a line of OC pepper and tear gas sprays manufactured by the Company for law enforcement, military and security personnel. Take Down® sprays are available in canisters using omni-directional technology. Take Down® Omni units will deploy and deliver a consistent stream from any angle. Take Down® Extreme OC is a unique gel formula containing a maximum strength 1.4% capsaicinoids concentration suspended in a sticky gel that sprays farther and sticks on contact to minimize cross-contamination. When used indoors, there is less chance of contaminating the surrounding areas or affecting bystanders. When used outdoors, it reduces the chance of blowback in windy conditions. The non-flammable formula will not ignite with stun guns or similar electronic devices. Take Down® OC-CS blends are pepper sprays with the added power of CS tear gas in streams or foggers. Stoppa Red products contain a bright red color non-irritant dye that stains skin and clothing that assists with identification. Take Down® inert trainers are available for training and demonstration purposes.

The Company's TG Guard Security Protection System for correctional institutions is operated through a secure remote console to selectively deploy a tear gas agent in an area where a disruption is occurring. The TG Guard System deploys a powerful tear gas deterrent agent from single or multi-fixture dispensers. The fixtures are tamper-resistant and inaccessible to the general population.

The Company also is a quality private label manufacturer of pepper spray defense products to its customers' exact requirements.

#### **B. Distribution methods of the products or services**

Mace Security International, Inc. sells its products to customers in North and South America, Europe, Asia and Africa using both in-house salespersons and independent sales representatives. The Company's primary distribution channels are:

- a. Sporting goods retailers, buying groups and distributors,
- b. Mass merchant retailers,
- c. Hardware retailers,
- d. Auto parts retailers,
- e. E-commerce websites
- f. General merchandise retailers,
- g. On-line store operators,
- h. Tactical product distributors,
- i. Law enforcement, correctional institutions and military markets,
- j. International distributors and dealers, and
- k. The Company's websites [www.mace.com](http://www.mace.com) and [www.vigilantpps.com](http://www.vigilantpps.com).

#### **C. Status of any publicly announced new product or service**

In June 2019, the Company decided to no longer offer less-lethal tactical munitions and weapons system products, and to continue to serve the tactical spray product market under the Take Down® Brand.

#### **D. Competitive business conditions, the issuers competitive position in the industry, and methods of competition**

Mace® Brand is the leading national brand in non-lethal personal safety products and the number one most recognized consumer brand in the category. The Company led the product development that started the industry and has been innovating ever since.

The personal safety and security industry is fragmented. A number of companies manufacture pepper spray under their own brands or using their customers' brand names, including Security Equipment Corporation, Aerko International and UDAP Industries, Inc. A number of companies distribute pepper spray product produced by others under their brand names including Fox Labs, and Sturm, Ruger & Co., Inc.

#### **E. Sources and availability of raw materials and the names of principal suppliers**

The Company's defense sprays are made at its Cleveland, Ohio facility, using components provided by both domestic and international suppliers, and by select high-quality manufacturers in North America and Asia. In addition to finished pepper spray product, the company sources components such as oleoresin capsicum concentrate, drawn aluminum tubes, valves, plastic components and packing



material. The Company does not have any material long-term supply contracts with its suppliers. The items that the Company sources from its suppliers are generally available from multiple sources.

**F. Dependence on one or a few major customers**

At December 31, 2020, three customers accounted for 14%, 13% and 10% of the net accounts receivable balance. At December 31, 2019, five customers accounted for 15%, 14%, 11%, 10% and 10% of the net accounts receivable balance. During the year ended December 31, 2020, three customers accounted for 14%, 14% and 11% of the Company's net sales. During the year ended December 31, 2019, two customers accounted for 12% and 12% of the Company's net sales.

**G. Patents, trademarks, licenses, franchises, concessions, royalty arrangements or labor contracts, including their duration**

The Company owns more than three (3) dozen trademarks, including the Mace® and Tornado® Brand names, which have an original length of ten (10) years and are generally renewable for additional ten (10) year periods.

The Company does not own or lease any franchise, nor is it subject to any concessions or significant royalty agreements.

The Company has entered into agreements with several companies providing for the right to use one or more of the Company's trademarks. To date, such agreements have not generated significant royalty income for the Company.

The Company's workforce is not subject to collective bargaining.

**H. The need for any governmental approval of principal products or services and the status of such of any requested government approvals**

The Company's subsidiary, Mace Tactical Solutions LLC has a Federal Explosives License – Manufacturer of Explosives. This license expires April 1, 2021 and is renewable. The Company's subsidiary, Mace Tactical Solutions LLC also has a Federal Firearms License – Manufacturer of Destructive Devices. This license expires May 1, 2021 and is renewable. The Company does not intend to renew either of these two licenses. Bear spray manufacturing requires a United States Environmental Protection Agency license (“EPA License”). The Company obtained a bear spray EPA License as part of its March 2017 acquisition. The Company procures some of its bear spray from a supplier that has an EPA License. The Company also produces bear spray through a license novated to the Company by a Customer. Alternative sources for bear spray product exist.

**Item 10 The nature and extent of the issuer's facilities**

The Company's operations are conducted in a leased 49,204 square feet building located at 4400 Carnegie Avenue, Cleveland, Ohio 44103. The lease commenced April 1, 2013 with an initial term of 10 years and 3 months, with options to renew for three (3) additional five (5)-year terms through 2038. The Company's lease of a 4,400 square-foot building in Perry, FL was terminated in 2019.

**Part D Management Structure and Financial Information**

**Item 11 The name of the chief executive officer, members of the board of directors, as well as control persons**

**A. Directors and Executive Officers**

**1. Directors**

The directors of the Company, as well as certain information about them, as of December 31, 2020 are presented in the following table.

| Name                 | Position with Company           | Director Since |
|----------------------|---------------------------------|----------------|
| Denis J. Amato       | Director                        | 2011           |
| Bradley J. Dickerson | Director                        | 2019           |
| Jayne E. Juvan       | Director                        | 2020           |
| Jennifer Kretchmar   | Director                        | 2020           |
| Daniel V. Perella    | Director                        | 2019           |
| Hussien Shousher     | Director                        | 2019           |
| Sanjay Singh         | Director and Executive Chairman | 2018           |

Daniel V. Perella also served as Director from 2012 to 2017.

All correspondence to the Company's directors may be mailed to the Company's Corporate Headquarters at 4400 Carnegie Avenue, Cleveland, Ohio 44103.

Biographical information for each director appears below.

*Denis J. Amato*, age 75, is a private investor. Mr. Amato retired from Ancora Advisors, where he was Director of Microcap Equities. His investment experience spanned five decades, including serving as Chief Investment Officer for a major Cleveland bank trust department as well as with Ancora Advisors. He has both a BBA in Economics and an MBA in Finance from Case Western Reserve University and is a Chartered Financial Analyst.

*Bradley J. Dickerson*, age 56, is currently President of Bombas, a direct-to-consumer lifestyle apparel brand. Prior to joining Bombas, Mr. Dickerson was at Blue Apron from February 2016 until April 2019. Blue Apron is a direct-to-consumer ingredient-and-recipe meal kit service, operating throughout the United States. At Blue Apron, he served as CEO from December 2017 until April 2019 and CFO from February 2016 until December 2017. Prior to Blue Apron, Mr. Dickerson was at Under Armour, Inc in Baltimore, MD from 2004 until 2016. While at Under Armour, he held various executive positions, including CFO/COO in 2015-2016 and CFO from 2008 through 2014. Mr. Dickerson brings 32 years of financial, operational, and executive experience, the last 15 years with brands going through substantial growth and involving product, channel, and geographic expansion.

*Jayne E. Juvan, Esq.*, age 40, serves as chair of the Mergers & Acquisitions and Securities & Capital Markets practice group at Tucker Ellis. In her legal practice, she advises investors, boards of directors, and management teams on M&A transactions, regulatory compliance, and corporate governance. She counsels public and high-growth private companies, private equity firms, and venture capital firms from initial formation through all stages of the business life cycle. She is often requested to assist corporate boards to maximize effectiveness and institute best practices. She previously served as vice chair of the American Bar Association's Corporate Governance Committee and as co-chair on the

ABA's Task Force on Director Misconduct. A frequent writer and speaker, she been featured in the *Harvard Business Review* and *Forbes*, and *Bloomberg*, *Reuters*, *Ethical Boardroom*, and *Corporate Compliance Insights*, among many others.

*Jennifer Kretchmar*, age 48, Ms. Kretchmar currently serves as Chief Digital and Merchandising Officer at Build-A-Bear Workshop, helping transform the iconic Build-A-Bear brand through her innovative leadership. Ms. Kretchmar joined the company in 2014 as Chief Product Officer before taking on her current role. She leads the development of global merchandise, in addition to the company's marketing and digital presence to drive sales and guest loyalty. While guiding global business initiatives, including retail, e-commerce, licensing, brand and performance marketing, Ms. Kretchmar manages an inspired team and builds leaders. Ms. Kretchmar has helped transform Build-A-Bear to the multi-channel and multi-platform brand and intellectual property company it is today with over 400 experiential retail locations, e-commerce and licensing. With her ingenuity in global product and digital strategy and ability to grow and strengthen brands, Ms. Kretchmar has held tenured executive level positions at notable companies. Before joining Build-A-Bear, Ms. Kretchmar was Senior Vice President of Product and Brand Management with Stride Rite Children's Group (SRCG) of Wolverine Worldwide, Inc. At SRCG, she was responsible for the global product creation strategy for a diverse portfolio of children's footwear brands including Sperry Top-Sider®, Saucony®, Keds®, Hush Puppies® and Merrell® among others. Before joining Stride Rite, Ms. Kretchmar held positions of increasing responsibility at The Timberland Company, Goldbug and the United States Department of Agriculture Foreign Service. Ms. Kretchmar holds a Bachelor of Arts degree in Humanities from San Francisco State University and studied International Business at the Middlebury Institute of International Studies at Monterey.

*Daniel V. Perella*, age 51, is a Co-Founder, President and Chief Operating Officer of IdeaStream Consumer Products, in Cleveland, Ohio. The Company was founded in 2002 and is focused on designing and developing creative and innovative product solutions that drive incremental sales and profits for its retail customers. Mr. Perella brings nearly 29 years of experience in the retail marketplace to Mace. Prior to the founding of IdeaStream Consumer Products, Mr. Perella worked for 10 years at Manco, Inc (now doing business as Shurtape Technologies). During his time there, he had numerous roles, including Vice President of Wal-Mart Sales. Additionally, prior to his entrepreneurial journey, he was Manco's Executive Vice President of Sales.

*Hussien Shousher*, age 62, was the recent CEO of GEM Inc. and GEM Energy and was with the Rudolph Libbe Group of companies for 25 years. During Mr. Shousher's tenure, GEM expanded to multiple locations throughout three states with over 1,000 employees. GEM Inc., headquartered in Walbridge, OH, is a leading single-source specialty contractor with multiple self-performance trades as well as consulting and energy management services. GEM Inc. is annually ranked among the top 100 on the *Engineering News-Record* top 600 Specialty Contractors. GEM Energy optimizes the efficiency of facilities for reduced operating costs through energy management and procurement, building controls, HVAC and facility management services. Mr. Shousher is currently focused on executive mentoring, coaching, and advising business leaders and established professionals.

*Sanjay Singh*, age 54, was appointed Executive Chairman of the Board of Directors in April 2020 and was appointed to the Company's Board of Directors March 2018. Mr. Singh led and directed strategy and actions at Roll-Kraft, a privately held manufacturing company, first as Executive Vice-President and then as President from July 2013 through March 2020. In 2017, Mr. Singh co-founded a family office investment fund for which he directed and sourced investment initiatives in the northeast Ohio region. Over the course of his twenty-five-year career, Mr. Singh acquired expertise in increasing shareholder value by building better businesses alongside management teams. Mr. Singh was a Board Member and Chief Financial Officer from 2010-2013 at Maclellan Services, Inc., a paint-shop

equipment service provider to Toyota and other automotive companies. Prior to July 2010, Mr. Singh held Chief Financial Officer and financial leadership roles in private equity owned portfolio companies and at divisions of Stanley Black and Decker and Newell Rubbermaid. Mr. Singh is passionate about economic prosperity of the Northeast Ohio region and currently serves on the Board s of Directors of MAGNET, a nonprofit manufacturing advocacy group, the Cleveland Skating Club and Entrepreneur’s EDGE, a nonprofit economic development organization that helps mid-sized companies in Northeast Ohio achieve profitable growth.

## 2. Executive Officers

The executive officers of the Company, as well as certain information about them, as of December 31, 2020 are presented in the following table.

| Name         | Position with Company                 | Officer Since |
|--------------|---------------------------------------|---------------|
| Sanjay Singh | Executive Chairman and Director       | 2020          |
| Gary Medved  | President and Chief Executive Officer | 2019          |

Effective January 19, 2019, John J. McCann resigned from the Company’s Board of Directors and as President and Chief Executive Officer. Gary Medved was appointed President and Chief Executive Officer. Effective January 16, 2019, Mark Barrus was appointed Senior Vice President, Chief Financial Officer and Secretary. Effective July 15, 2020, Mark Barrus resigned from the Company. Effective February 2, 2021, Michael Weisbarth was appointed Chief Financial Officer of the Company.

All correspondence to the Company’s executive officers may be mailed to the Company’s Corporate Headquarters at 4400 Carnegie Avenue, Cleveland, Ohio 44103.

Biographical information for each current executive officer not already described herein appears below.

*Gary Medved*, age 59, was President and Owner of Roto-Die, Inc., a manufacturer of hydraulic sheet metal benders. Within four years he grew the company’s revenues by more than 300 percent by expanding into new markets, introducing a remanufactured equipment program and launching a new marketing program. Gary also served as the President of Stride Tool, a manufacturer of innovative specialty hand tools for professional technicians. During his tenure, he increased revenue by 75 percent through organic growth, while driving manufacturing efficiencies and the rollout of new, patented products and retail channels. Gary has a BSME from Penn State University and an MBA from John Carrol University.

*Michael Weisbarth*, age 56, is a seasoned finance partner and advisor with vast industry experience including energy and communications, medical devices, professional turf care, specialty retail, and public accounting. He has a track record of improving profitability, developing strong banking relationships, and motivating cross-functional and cross-cultural teams. His diverse experiences have led to the development of his merger and acquisition skills, SEC public reporting experience along with management of privately held organizations. Prior to joining the Company, Mike has served as Vice President of Finance and Treasurer of Preformed Line Products Co., Vice President of Finance at Edgepark Medical Supplies, Chief Financial Officer at LESCO, Inc. and Senior Vice President and Treasurer at OfficeMax, Inc. Mike obtained his Bachelor of Science in business administration and accounting from Bowling Green State University.

### 3. Equity Ownership of Directors and Executive Officers

Please see part D, Item 14 below.

### 4. Compensation of Directors and Executive Officers

The following table presents information concerning the compensation paid during the year ended December 31, 2020 by the Company to its directors and executive officers.

| Name                      | Position  | Salaries<br>(\$) | Bonus<br>(\$) | Stock<br>Option<br>Awards | Director Fee Paid<br>in Shares of Stock<br>in Lieu of Cash | All Other<br>Compensation |
|---------------------------|---|------------------|---------------|---------------------------|--|---------------------------|
| Denis J. Amato            | Director  | -                | -             | 100,000                   | 50,604   | -                         |
| George C. Gehrish,<br>Jr. | Director,<br>resigned<br>in 2020                      | -                | -             | 50,000                    | 50,604   | -                         |
| Jayne E. Juvan            |   | -                | -             | 100,000                   | 6,667  | -                         |
| Cheryl B. McMillan        | Director,<br>resigned<br>in 2020                      | -                | -             | -                         | 43,937   | -                         |
| Daniel V. Perella         | Director  | -                | -             | 100,000                   | 50,604   | -                         |
| Sanjay Singh              | Executive<br>Chairman                                 | 132              | -             | 1,075,000                 | 50,604   | 200,000 shares<br>of Mace |
| Hussien Shousher          | Director  | -                | -             | 100,000                   | 50,604   | -                         |
| Bradley J.<br>Dickerson   | Director  | -                | -             | 100,000                   | 50,604   | -                         |
| Mark Barrus               | Chief<br>Financial<br>Officer,<br>resigned<br>in 2020 | 87               | -             | -                         | -  | -                         |
| Gary Medved               | Chief<br>Executive<br>Officer                         | 220              | -             | -                         | -  | -                         |

5. Directors received a quarterly fee of \$3,000. In 2020, Directors elected to receive their quarterly director fee in the form of shares of common stock, rather than cash. These shares are issued quarterly, and the number of shares issued is determined based on the market value of the Company's stock (as defined by the Compensation Committee of the Board of Directors) as of the end of each calendar quarter. This arrangement is in place until the annual election of Directors in 2021.
6. In addition, Directors received an annual stock option award of up to 100,000 stock options. Director compensation is prorated for the period served.
7. The Company reimburses directors' travel, lodging and other reasonable out-of-pocket expenses in connection with attendance at Board, Committee and Shareholder meetings. These amounts are not included in the table above.
8. The Executive Chairman and Chief Executive Officer have an Employment Agreement with the Company.

**B. Legal/disciplinary history**

None of the current directors and executive officers of the Company have, in the last five years, been the subject of (1) a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); (2) the entry of an order, judgment or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities and banking activities; (3) a finding or judgment by a court of competent jurisdiction (in a civil action), the SEC, the Commodity Futures Trading Commission or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended or vacated, or (4) the entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

**C. Disclosure of family relationships**

None.

**D. Disclosure of related party transactions**

The information required by this item is included in Note 17- Related Party Transactions in the Company's December 31, 2020 consolidated financial statements and are incorporated herein by reference from the Company's 2020 Annual Report filed separately through the OTC Disclosure and News Service, and available at [www.otcmarkets.com](http://www.otcmarkets.com).

**E. Disclosure of conflicts of interest**

None.

**Item 12 Financial information for the issuer's most recent fiscal period**

The Company's audited consolidated financial statements for the year ended December 31, 2020 are incorporated herein by reference from the Company's 2020 Annual Report filed separately through the OTC Disclosure and News Service, and available at [www.otcmarkets.com](http://www.otcmarkets.com). The audited consolidated financial statements include the following reports:

1. Independent Auditors' Report
2. Consolidated Balance Sheets
3. Consolidated Statements of Operations
4. Consolidated Statements of Shareholders' Equity
5. Consolidated Statements of Cash Flows
6. Notes to Consolidated Financial Statements

**Item 13 Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence**

The Company's audited consolidated financial statements for the years ended December 31, 2019 and 2018 are incorporated herein by reference from the Company's 2019 Annual Report filed separately

through the OTC Disclosure and News Service, and available at [www.otcm Markets.com](http://www.otcm Markets.com). The audited consolidated financial statements include the following reports:

1. Independent Auditors' Report
2. Consolidated Balance Sheets
3. Consolidated Statements of Operations
4. Consolidated Statements of Stockholders' Equity
5. Consolidated Statements of Cash Flows
6. Notes to Consolidated Financial Statements

**Item 14 Beneficial owners**

The following table sets forth, as of December 31, 2020, the equity ownership of (a) all persons or groups known by the Company to be the beneficial owners of 5% or more of its outstanding Common Shares and (b) all of the Company's directors and executive officers as a group. Because beneficial owners are not required to disclose their ownership interests publicly or to the Company, we may only rely on public sources and reports made directly to us when determining beneficial ownership, and, as a result, there may be other beneficial owner(s) of more than 5% of the Company's Common Shares that are not included in the following table.

| <b>Principal Beneficial Owners of Shares (2)</b>             |                                  |  |                             |
|--|----------------------------------|--|-----------------------------|
| <b>Name of Beneficial Owner</b>                              | <b>Relationship to Issuer</b>    | <b>Amount and Nature of Beneficial Ownership (1)</b> | <b>Percent of Class (1)</b> |
| All Directors and Executive Officers as a Group (9 in total) | Directors and Executive Officers | 16,680,915   | 28.5%                       |
| Ancora Advisors LLC  | Shareholder                      | 5,292,970  | 8.2%                        |
| Richard Barone   | Shareholder                      | 3,658,000  | 5.7%                        |

- (1) The Company has determined that beneficial ownership information regarding all directors and executive officers is sufficient to provide an understanding of the Company's ownership structure and the degree to which management has a stake as shareholders of the Company. Directors and executive officers as a group hold 1,368,000 stock options which could be exercised within 60 days after March 15, 2021.
- (2) Represents the Company's reasonable, good faith effort to calculate beneficial ownership based on the Company's and transfer agent's records.

**Item 15 The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business, development and disclosures**

**A. Investment Banker**

Carleton McKenna & Company LLC  
c/o Christopher McKenna  
1801 East 9<sup>th</sup> Street Suite 1425  
Cleveland, OH 44114  
(216) 832-5449  
[cjm@carletonmckenna.com](mailto:cjm@carletonmckenna.com)

**B. Promoters**

None

**C. Counsel**

Clark Hill PLC  
c/o Peter K. Blume  
500 Woodward Avenue, Suite 3500  
Detroit, Michigan 48226-3435  
(313) 965-8387  
[pblume@clarkhill.com](mailto:pblume@clarkhill.com)

**D. Auditor**

Preparation of the Company's financial statements is the responsibility of the Company's management. The Company's independent audit firm, Marcum LLP, is responsible for expressing an opinion on the Company's financial statements based on its audit as of and for the year ended December 31, 2020.

Auditor contact information:

Marcum LLP  
c/o Jonathan Shoop, Partner  
600 Superior Ave. E., Suite 800  
Cleveland, OH 44114  
(216)-242-0800  
[jon.shoop@marcumllp.com](mailto:jon.shoop@marcumllp.com)

**E. Public Relations Consultant(s)**

None

**F. Investor Relations Consultant**

None



**G. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement**

None

**Item 16 Management’s discussion and analysis or plan of operation**

**A. Plan of operation**

This item is not applicable, as the Company has had revenues in each of the last two fiscal years.

**B. Management’s discussion and analysis of financial condition and results of operations (amounts in thousands, except share and per share amounts)**

Mace Security International, Inc. currently operates in one business segment, the Security Segment, which manufactures and distributes personal safety and security products to retailers, distributors, and individual consumers. The Company also supplies pepper sprays, gels and foams, OC defense sprays for law enforcement, security professionals, correctional institutions and military markets.

**Fiscal Year 2020 compared with Fiscal Year 2019**

*Net sales*

Net sales comparative information for fiscal 2020 and 2019, respectively, is as follows:

| <u>Net Sales by Type of Customer</u> | <u>Year Ended December 31,</u> |                  | <u>Increase<br/>(Decrease)</u> | <u>% Increase<br/>(Decrease)</u> |
|--------------------------------------|--------------------------------|------------------|--------------------------------|----------------------------------|
|                                      | <u>2020</u>                    | <u>2019</u>      |                                |                                  |
| Consumer                             | \$ 13,634                      | \$ 8,648         | \$ 4,986                       | 57.6%                            |
| Tactical                             | 641                            | 658              | (17)                           | (2.6%)                           |
| International                        | 933                            | 1,017            | (84)                           | (8.3%)                           |
| Other                                | 183                            | 181              | 2                              | 1.1%                             |
| Total                                | <u>\$ 15,391</u>               | <u>\$ 10,504</u> | <u>\$ 4,887</u>                | 46.5%                            |

Total net sales increased for the year ended December 31, 2020 by 46.5%, compared with net sales for the year ended December 31, 2019. Net sales to customers in the consumer market increased \$4,986, or 57.6%, in the year ended December 31, 2020, compared with the same period in 2019. This increase in net sales was due primarily to an increase in sales to existing brick and mortar retailers and e-commerce channels, driven by increased volume of existing items and the introduction of product line extensions, as well as preferred product placement in certain channels.

Tactical net sales, which include tactical spray products, for the year ended December 31, 2020 decreased \$17, or (2.6%), compared with the year ended December 31, 2019, primarily due to the loss of one tactical private label customer in late 2020.

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Sales to International customers decreased \$84, or (8.3%), for the year ended December 31, 2020, compared with the year ended December 31, 2019 due primarily to availability of product, as well as the impact of Covid-19 which caused some international customers to shut down for a period of time.

Sales to other types of customers for the year ended December 31, 2020, compared with the year ended December 31, 2019, were comparable.

*Cost of goods sold*

Cost of goods sold increased for the year ended December 31, 2020 by 37.3% to \$9,195, or 59.7% of net sales, compared with \$6,698, or 63.8% of net sales, for the year ended December 31, 2019, primarily due to the 46.5% increase in net sales. Cost of goods sold as a percentage of net sales benefited in the year ended December 31, 2020 from efficiencies gained from higher production, leveraging fixed costs, due to higher net sales and disciplined spending. Cost of goods in the year ended December 31, 2019 was impacted by a \$124 provision for excess and obsolete inventory related to the Company's decision in 2019 to discontinue offering a product line of less lethal munitions for sale to its law enforcement, corrections and military customers. In addition, cost of goods sold in the year ended December 31, 2019 was impacted by \$75 of distribution and warehouse costs associated with the exited less lethal munitions products. Without these 2019 expenses, cost of goods sold increased in the year ended December 31, 2020 to \$9,195, or 59.7% of net sales, compared with \$6,499 or 61.9% of net sales in the year ended December 31, 2019.

*Gross profit*

Excluding the 2019 costs associated with the exited less lethal munitions products, gross profit increased \$2,191, or 54.7%, to \$6,196 or 40.3% of net sales, during the year ended December 31, 2020, compared with \$4,005, or 38.1% of net sales, during the year ended December 31, 2019. Gross profit improved due to higher sales to existing and new e-commerce customers and line extensions with traditional retailers along with efficiencies gained from higher production, leveraging fixed costs, due to higher sales and disciplined spending.

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*Selling, general and administrative expenses*

Selling, general and administrative expenses decreased by \$993 to \$4,108, or 26.7% of net sales, for the year ended December 31, 2020, compared with \$5,101, or 48.6% of net sales for the year ended December 31, 2019. The following table presents the significant expense items causing the decrease in selling, general and administrative expenses for the year ended December 31, 2020, compared with the year ended December 31, 2019.

| <b><u>Selling, General and Administrative Expense</u></b><br><b><u>Categories</u></b>   | <b><u>Increase</u></b><br><b><u>(Decrease)</u></b> |
|---|--|
| Salaries and related employee benefits primarily related to severance obligations in 2019 not recurring in 2020; open or outsourced positions in 2020; partially offset by accrual of contractual and discretionary incentive | \$ (363)   |
| Variable commission expenses increase due to higher net sales in 2020   | 238  |
| Legal and professional expenses decrease primarily attributable to non-recurring recruiting, acquisition and employee matter costs in 2019  | (292)  |
| Advertising and marketing expense decrease primarily attributable to decreased outside agency branding/marketing related advertising expenditures in 2020   | (158)  |
| Provision for loss on trade accounts receivables in 2019  | (371)  |
| Decrease in e-commerce fulfillment fees in 2020 attributable to lower Amazon seller central sales   | (130)  |
| Higher business insurance costs in 2020   | 53   |
| Other factors, net  | <u>32</u>  |
| Net decrease  | <u><u>\$ (991)</u></u>                             |

*Interest income*

Interest income was \$0 for the year ended December 31, 2020, compared with \$4 for the year ended December 31, 2019, due primarily to the factors which led the Company to impair its two notes receivable in the fourth quarter of 2018 and the liquidation of the Company's short-term investments in the second quarter of 2019. Interest expense was \$42 and \$57 in the years ended December 31, 2020 and 2019, respectively, primarily related to the decrease of the Company's debt, as well as decrease in LIBOR based interest rate in 2020 and the repayment of the Company's line of credit in September 2020.

*Amortization of intangible assets*

Amortization of intangible assets relates to the amortization of intangible assets associated with the Company's acquisitions.

*Net income (loss)*

Net income for the year ended December 31, 2020 was \$1,701, compared with a net loss of \$1,700 for the year ended December 31, 2019 due primarily to the factors noted above.

**Liquidity and Capital Resources**

Cash and cash equivalents increased by \$460 to \$767 at December 31, 2020, compared with \$307 at December 31, 2019. The Company's operating activities of continuing operations provided \$717 of cash in the year ended December 31, 2020, compared with using \$106 in the year ended December 31, 2019. In the year ended December 31, 2020, depreciation and amortization, stock-based compensation and other non-cash charges totaled \$961. Changes in operating assets and liabilities used \$1,901 of cash due primarily to factors resulting from normal business conditions of the Company, including (1) higher accounts receivable and inventory due to higher net sales, and (2) higher net accounts payable and accrued liabilities due to the timing of payments and higher inventory purchases.

The Company's capital expenditures for the year ended December 31, 2020 were \$64, compared with \$76 for the year ended December 31, 2019. At this time, the Company anticipates total fiscal 2021 capital expenditures will be approximately \$50 and will relate principally to production fixtures, capital expenditures relating to new products and IT equipment. The Company anticipates funding future capital expenditures from operating cash flow. There were no commitments for capital expenditures at December 31, 2020.

The Company has not declared or paid any cash dividends within the last two (2) fiscal years and does not anticipate paying any such dividends in the next twelve months. The Company currently intends to retain all earnings for the operation and expansion of its business.

In December 2020, the Company entered into a \$2,000 line of credit agreement with a bank (the "2020 Credit Agreement"), that is secured by substantially all the Company's assets and which matures on November 30, 2021. The 2020 Credit Agreement provides for monthly interest payments at a rate equal to LIBOR plus 2.0% with a floor of 2.50%. The interest rate was 2.50% at December 31, 2020.

In response to a Notice of Demand for Payment in Full, on September 21, 2020 ("the Notice"), the Company repaid its \$600 outstanding balance under its previous \$1,500 line of credit agreement with a bank (the "Previous Credit Agreement") on September 30, 2020. Because the Previous Credit Agreement was payable on demand, the bank was able to call the Previous Credit Agreement. The bank's Notice did not indicate or assert the occurrence of any event of default by the Company under terms of the Previous Credit Agreement. The Company was current with all reporting and principal and interest payment requirements under the Previous Credit Agreement. In the Notice, the bank notified the Company of the bank's election to demand payment of the Previous Credit Agreement in accordance with its terms, to declare that all amounts due in respect of the Previous Credit Agreement shall be due and payable on September 30, 2020, and to cease any further advances under the Previous Credit Agreement. The line of credit was secured by substantially all the Company's assets. The Previous Credit Agreement provided for monthly interest payments at a rate equal to LIBOR plus 1.75%.

The \$1,000 secured note payable to the seller of an acquired business (the "Subordinated Note") consists of a 5% note payable due March 22, 2022 entered into in conjunction with the March 2017 acquisition. The note is subordinated to the 2020 Credit Agreement and is collateralized by all of the

Company's assets. The Company makes monthly principal and interest payments on the note payable. At December 31, 2020, \$284 was outstanding on this note payable .

Subsequent to December 31, 2020, the Company entered into an amendment to the Subordinated Note providing for the repayment of the note by June 30, 2021 for a \$7 discount.

On April 21, 2020, the Company was granted a loan (the "Loan") from a bank in the amount of \$619 pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan bears interest at a rate of 1% per annum. Interest payments are deferred for six months and are added to principal resulting in a loan balance of \$622 at December 31, 2020. The Paycheck Protection Program Flexibility Act of 2020 extended the deferment period for the payment of principal and interest to the date on which the lender is reimbursed by the SBA for the forgivable portion of the Loan. However, if an eligible recipient fails to apply for Loan forgiveness within 10 months after the last day of the covered period, such borrower would begin to make payments of principal, interest, and fees on such covered Loan no earlier than the aforementioned 10th month, which for the Company is August 6, 2021. The Company may prepay the loan at any time prior to maturity with no prepayment penalties. The Company may only use funds from the Loan for purposes specified in the CARES Act and related PPP rules, which include payroll costs, including group health care benefits, rent and utilities.

The Company used the entire Loan amount for qualifying expenditures. Under the terms of the Loan, certain amounts of the Loan may be forgiven if they are used for qualifying expenditures, as described in the CARES Act, during the 24-week period commencing on the date of receipt of the Loan proceeds. The Company has not yet applied for forgiveness of the Loan but intends to do so.

The Company's 2020 Credit Agreement matures on November 30, 2021. Should the Company be unable to renew or secure a replacement credit facility, this could have a material adverse effect on the Company's ability to acquire inventory in support of anticipated sales increases.

The Company continues to monitor the impact of the COVID-19 pandemic on its results of operations. The extent to which the Company's operations may be impacted by the pandemic depends on future developments, which are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity, or reemergence, of the pandemic and actions by government authorities to contain the pandemic or treat its impact. Given the uncertainty associated with the COVID-19 pandemic, including potential further slowing of accounts receivable collections, decreases in orders and sales, and potential agreement modifications with customers, the afore described sources of working capital may not be sufficient to satisfy the Company's cash requirements over the next twelve months and the Company may require significant external financing. The magnitude, nature, availability and cost of future additional financing and its timing are not known.

### **C. Off-balance sheet arrangements**

In the ordinary course of business, the Company is party to certain arrangements that are not reflected in the Consolidated Balance Sheets. The Company does not have any obligations that meet the definition of an off-balance sheet arrangement that have had, or are reasonably likely to have, a material effect on the Company's financial condition or results of operations.

**Part E Issuance History**

**Item 17 List of securities offerings and shares issued for services in the past two years.**

The following table sets forth information regarding the common shares of Mace Security International, Inc. issued during fiscal years ended December 31, 2020 and 2019.

| <b>Date</b> | <b>Nature of Offering</b>            | <b>Party Shares Issued To</b> | <b>Number of Shares Issued (1)</b> | <b>Trading Status of Shares</b> | <b>Restricted Shares</b> |
|-------------|--------------------------------------|-------------------------------|------------------------------------|---------------------------------|--------------------------|
| 3-7-19      | Payment of contingent purchase price | Seller of Business            | 175,000                            | Restricted                      | Yes                      |
| 3-20-19     | Stock award                          | 2 Non-executive Employees     | 20,000                             | Restricted                      | Yes                      |
| 12-11-19    | Stock award                          | Directors                     | 70,000                             | Restricted                      | Yes                      |
| 2-6-2020    | Stock award                          | Directors                     | 84,000                             | Restricted                      | Yes                      |
| 4-29-20     | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 4-29-20     | Stock award                          | Directors                     | 150,003                            | Restricted                      | Yes                      |
| 5-29-20     | Payment of contingent purchase price | Seller of Business            | 325,166                            | Restricted                      | Yes                      |
| 5-29-20     | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 6-29-20     | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 7-21-20     | Stock award                          | Directors                     | 73,556                             | Restricted                      | Yes                      |
| 7-29-20     | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 8-29-20     | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 9-29-20     | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 10-22-20    | Stock award                          | Directors                     | 46,669                             | Restricted                      | Yes                      |
| 10-29-20    | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 11-29-20    | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |
| 12-29-20    | Stock award                          | Sanjay Singh                  | 25,000                             | Restricted                      | Yes                      |

(1) The shares have not been registered under the Securities Act of 1933, as amended, and as a result there are restrictions on transferability and sale of the shares under the Security Act of 1933.

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The following table sets forth information regarding common stock options issued during fiscal years ended December 31, 2020 and 2019.

| <b>Date</b> | <b>Nature of Offering</b> | <b>Party Shares Issued To</b> | <b>Number of Shares Issued</b> | <b>Exercise Price</b> | <b>Purpose</b>        |
|-------------|---------------------------|-------------------------------|--------------------------------|-----------------------|-----------------------|
| 1-16-2019   | Stock Option              | Mark Barrus                   | 250,000                        | \$0.28                | Employee Option Award |
| 1-21-2019   | Stock Option              | Gary Medved                   | 1,000,000                      | \$0.34                | Employee Option Award |
| 3-20-2019   | Stock Option              | 2 Non-executive Employees     | 20,000                         | \$0.41                | Employee Option Award |
| 7-18-2019   | Stock Option              | Directors                     | 650,000                        | \$0.30                | Annual Grant          |
| 4-2-2020    | Stock Option              | Sanjay Singh                  | 1,000,000                      | \$0.20                | Option Award          |
| 7-2-2020    | Stock Option              | Directors                     | 625,000                        | \$0.28                | Annual Grant          |

**Part F Exhibits**

**Item 18 Material Contracts**

- 18.1 Mace Security International, Inc. 2012 Stock Incentive Plan (incorporated herein by reference to Form DEF 14A filed on May 18, 2012)
- 18.2 Asset Purchase Agreement between Mace Security International, Inc. and SecureCheck LLC dated September 28, 2016 (incorporated herein by reference to OTCQX Annual Information and Disclosure Statement December 31, 2016)
- 18.3 Asset Purchase Agreement between Washington Laboratories, LLC, Larry W. Harris and Mace Security International, Inc. dated March 22, 2017 (incorporated herein by reference to OTCQX Annual Information and Disclosure Statement December 31, 2017)
- 18.4 Asset Purchase Agreement between Mace Security International, Inc., Robinhood Digital LLC and David A. Happe dated October 19, 2017 (incorporated herein by reference to OTCQX Annual Information and Disclosure Statement December 31, 2017)
- 18.5 Bonus Agreement between Mace Security International, Inc., George C. Gehrisch, Jr. and Sanjay Singh dated March 9, 2018 (incorporated herein by reference to OTCQX Annual Information and Disclosure Statement December 31, 2017)
- 18.6 Shareholder Agreement dated March 9, 2018 (incorporated herein by reference to OTCQX Annual Information and Disclosure Statement December 31, 2017)
- 18.7 Employment Agreement dated January 20, 2019 by and between Mace Security International, Inc. and Gary Medved (incorporated herein by reference to OTCQX Annual Information and Disclosure Statement dated December 31, 2018)
- 18.8 Asset Purchase Agreement between Mace Security International, Inc., Bigfoot Holdings Ltd. and Persons constituting the beneficial holders of a majority of the issued and outstanding shares of voting capital stock of Bigfoot Holdings Ltd dated January 18, 2019 (incorporated herein by reference to OTCQX Quarterly Report dated March 31, 2019)
- 18.9 Employment Agreement dated April 2, 2020 by and between Mace Security International, Inc. and Sanjay Singh (incorporated herein by reference to OTCQX Quarterly Report dated March 31, 2020)
- 18.10 Amendment to Employment Agreement dated July 30, 2020 by and between Mace Security International, Inc. and Sanjay Singh (incorporated herein by reference to OTCQX Quarterly Report dated June 30, 2020)

**Item 19 Articles of Incorporation and Bylaws**

Amended and Restated Certificate of Incorporation of Mace Security International, Inc. was previously filed with the Securities and Exchange Commission as Exhibit 3.7 to the Company's Registration Statement on Form S-3 on June 16, 2004 and is incorporated herein by reference.

Amended and Restated Bylaws of Mace Security International, Inc. were previously filed with the Securities and Exchange Commission as Exhibit 3.1 to the Company's Annual Report on Form 8-K filed on April 21, 2010 and is incorporated herein by reference.

**Item 20 Purchases of Equity Securities by the Issuer and Affiliated Purchasers**

None.



**Item 21 Issuer's Certifications**

I, Gary Medved, President and Chief Executive Officer, certify that:

1. I have reviewed this Annual Information and Disclosure Statement of Mace Securities International, Inc.,
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement, and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for the periods presented in this disclosure statement.

Date: March 29, 2021

/s/ Gary Medved  
President and Chief Executive Officer

I, Michael Weisbarth, Chief Financial Officer, certify that:

1. I have reviewed this Annual Information and Disclosure Statement of Mace Securities International, Inc.,
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement, and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for the periods presented in this disclosure statement.

Date: March 29, 2021

/s/ Michael Weisbarth  
Chief Financial Officer