

meritage
HOSPITALITY GROUP

The Nations Premier
Franchise Operator.



MHGU
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OTCQX

May 16, 2023



SAFE HARBOR STATEMENT

Certain information in this Meritage presentation, particularly information regarding future economic performance and finances, targets and plans, expectations and objectives of management, constitutes forward-looking statements. Factors set forth in our Safe Harbor Statement, in addition to other possible factors not listed, could affect the Company's actual results and cause such results to differ materially from those expressed in forward-looking statements. Please review the Company's Safe Harbor Statement at <http://www.meritagehospitality.com>





Diversified U.S. Operations.

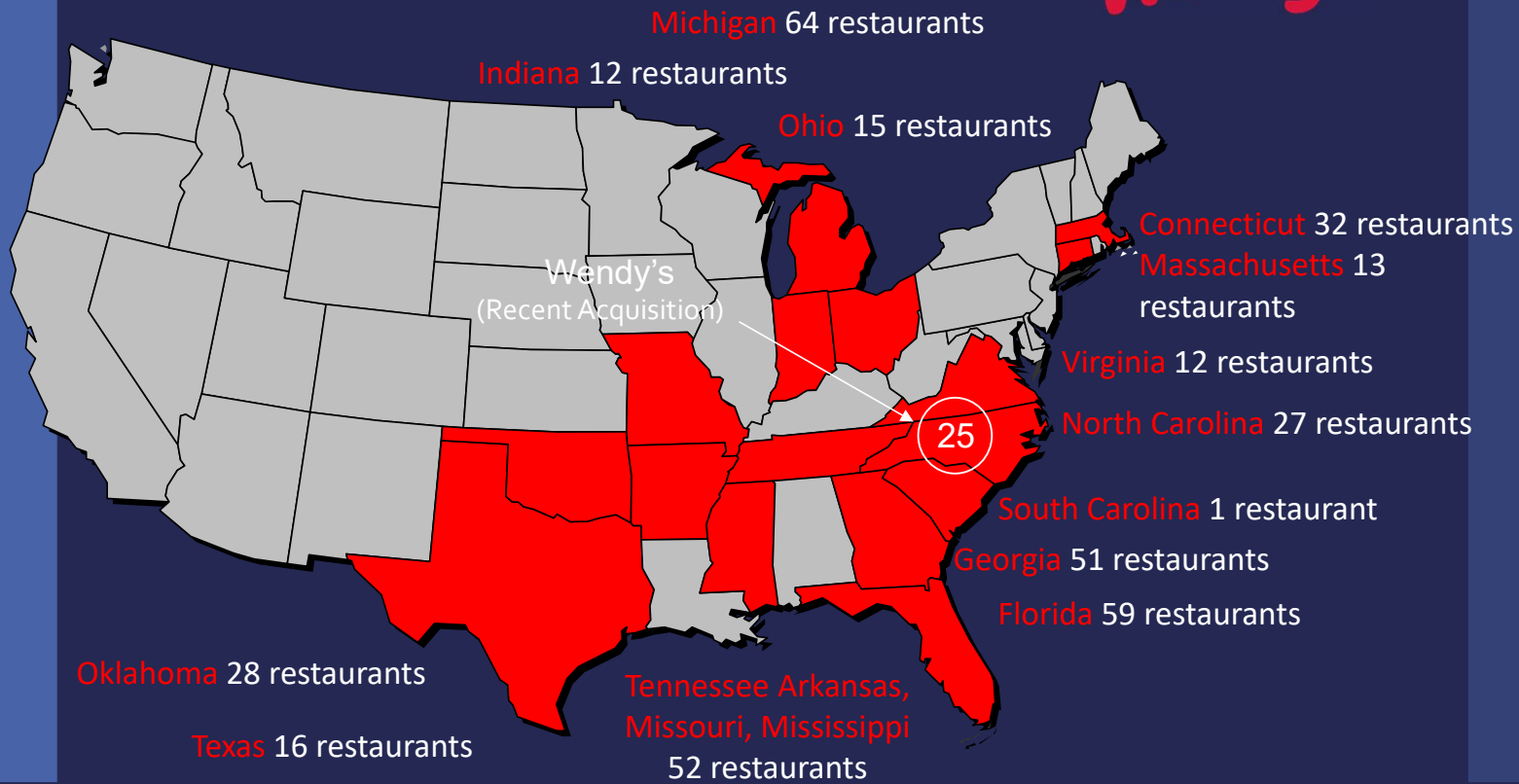


U.S. Restaurant Locations

382 Restaurants

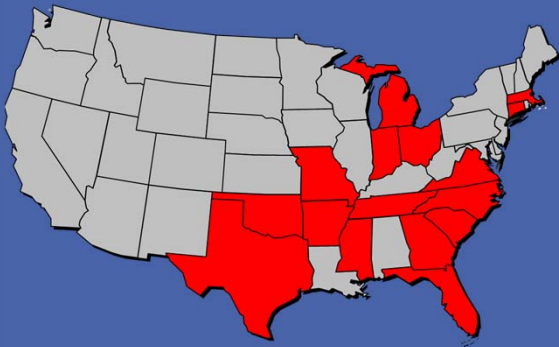


Wendy's





The Worlds Largest
Wendy's Franchise Operator



U.S Operations

2023 Full-Year Guidance

Sales +10% to +20%
Earnings from Ops. +90% to +100%
Net Income +35% to +45%
EBITDA +20% to + 30%

10-Year Compounded Annual Growth Rates

(CAGR 2013 - 2022)

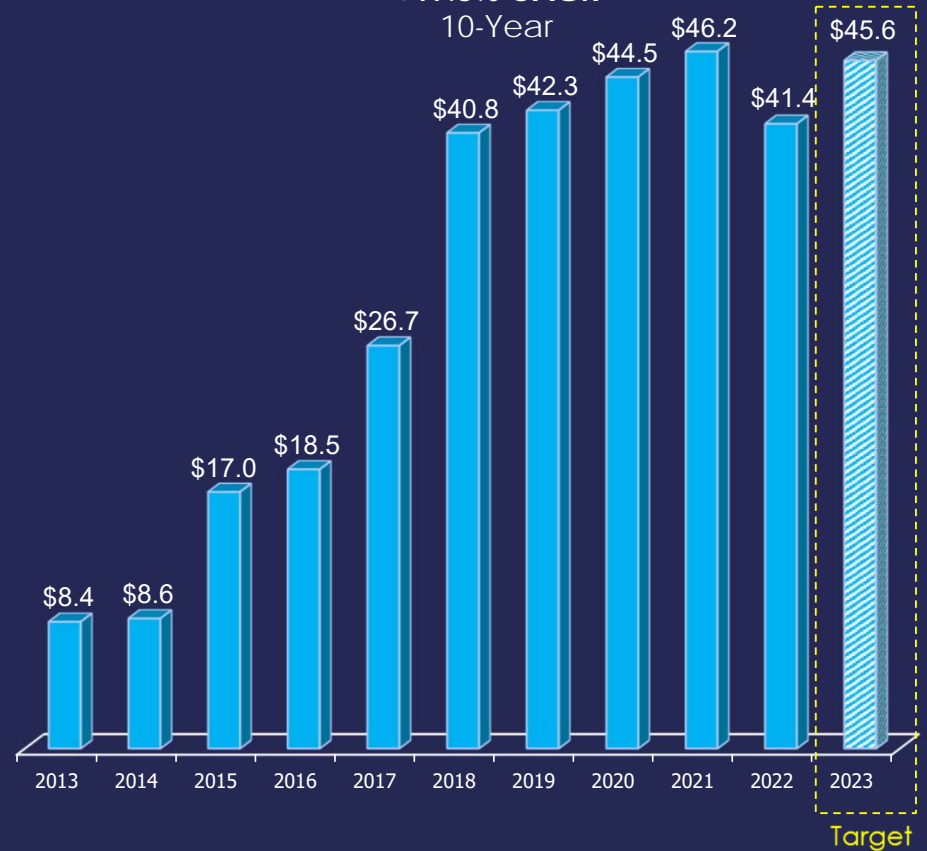
Sales

(\$ in millions)
+16.4% CAGR
10-Year



Consolidated EBITDA

(\$ in millions)
+17.3% CAGR
10-Year



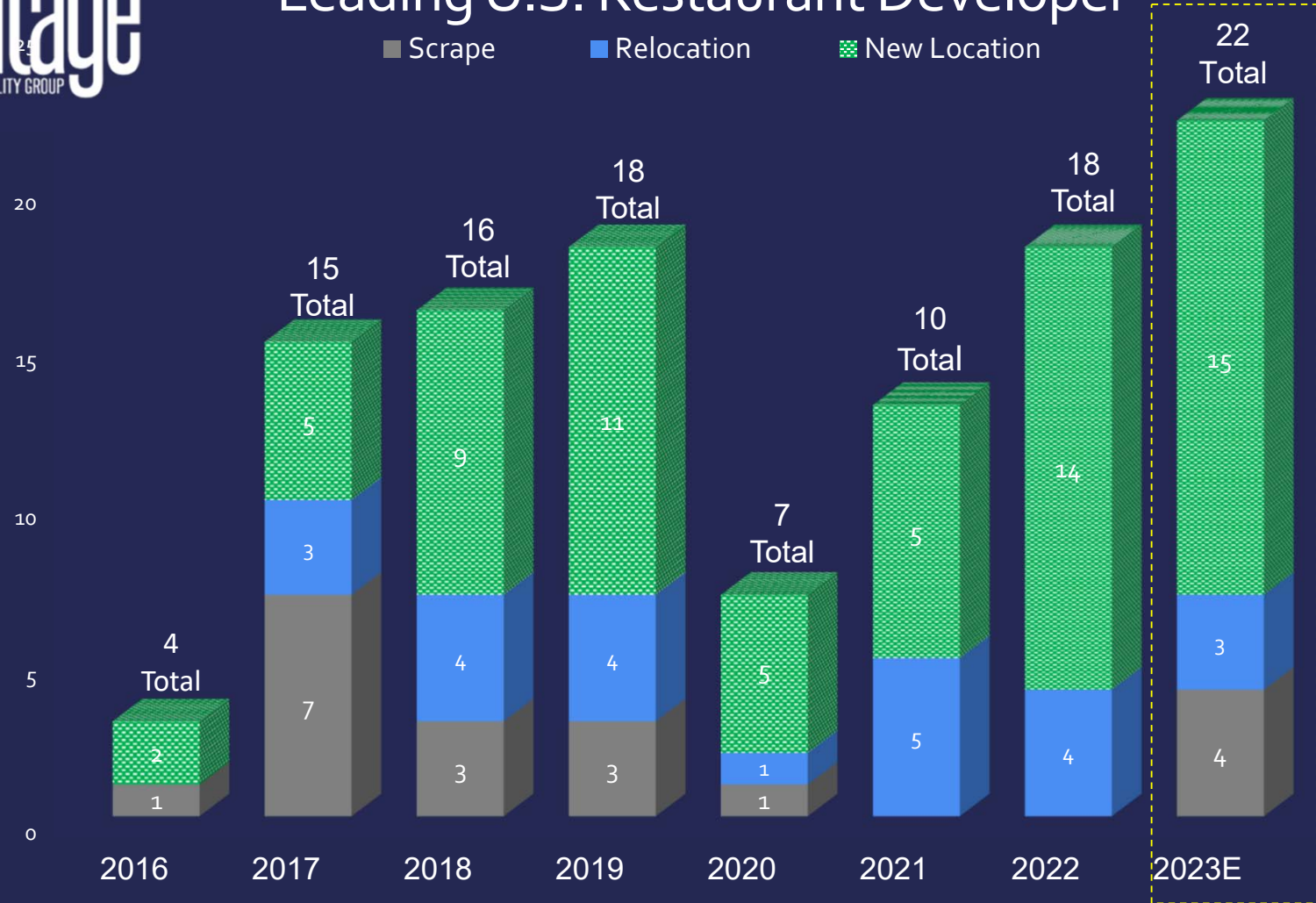
Profitable Growth.



Leading U.S. Restaurant Developer

■ Scrape ■ Relocation ■ New Location

New-Build Project Pipeline



(Covid-impact)

Target



Wendy's Modernization

	<u>2022</u>
Modernized – Year End	243
Required (Wendy's)	236
Percent Modernized	72%

Modernization Investment to Date: \$265,000,000



Wendy's Restaurant Renovation Economics



Restaurant Reimages:

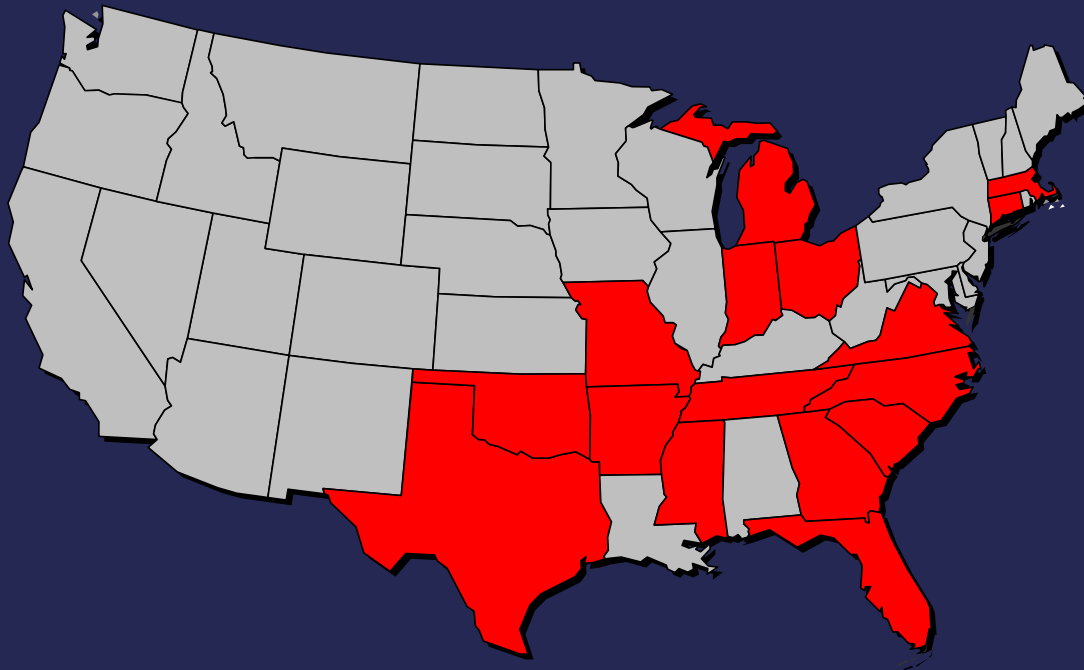
Average Sales Lift + 14.7%

Average EBITDA Lift + 21.0%

Restaurant Scrapes/Relocations:

Average Sales Lift + 46.3%

Average EBITDA Lift + 155.7%



Ground Breaker

Wendy's New-Store Development Obligations by Year

Year	Cumulative Total
2019 - 2023	32
2024	41
2025	51



Introducing

taco john's

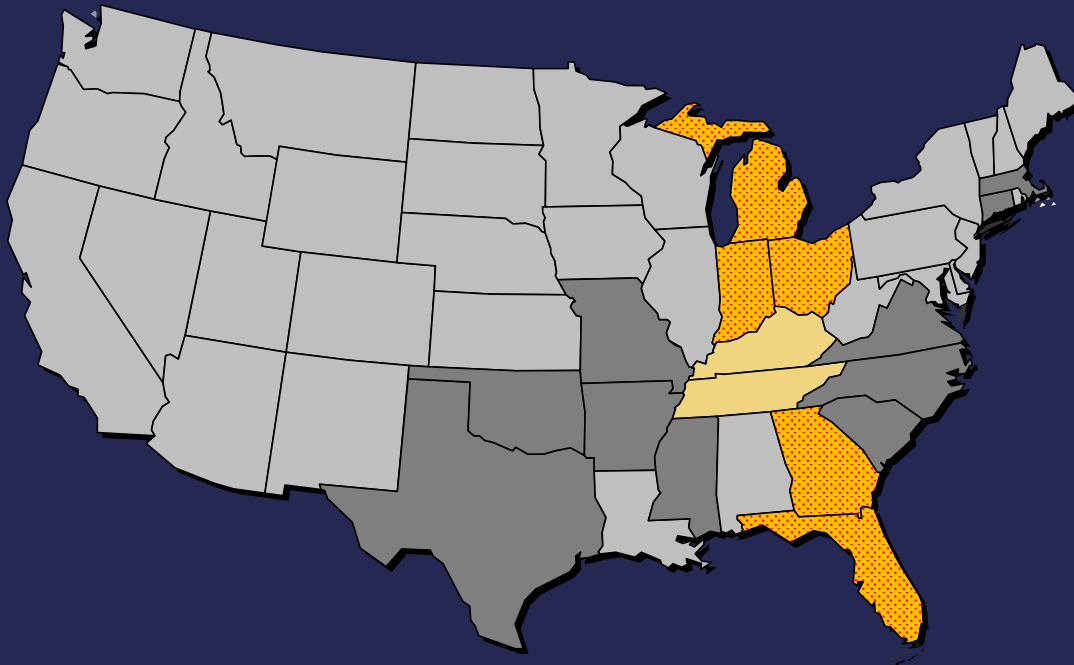
SINCE 1969

Fresh Food Made to Order





Exclusive U.S. Development Areas



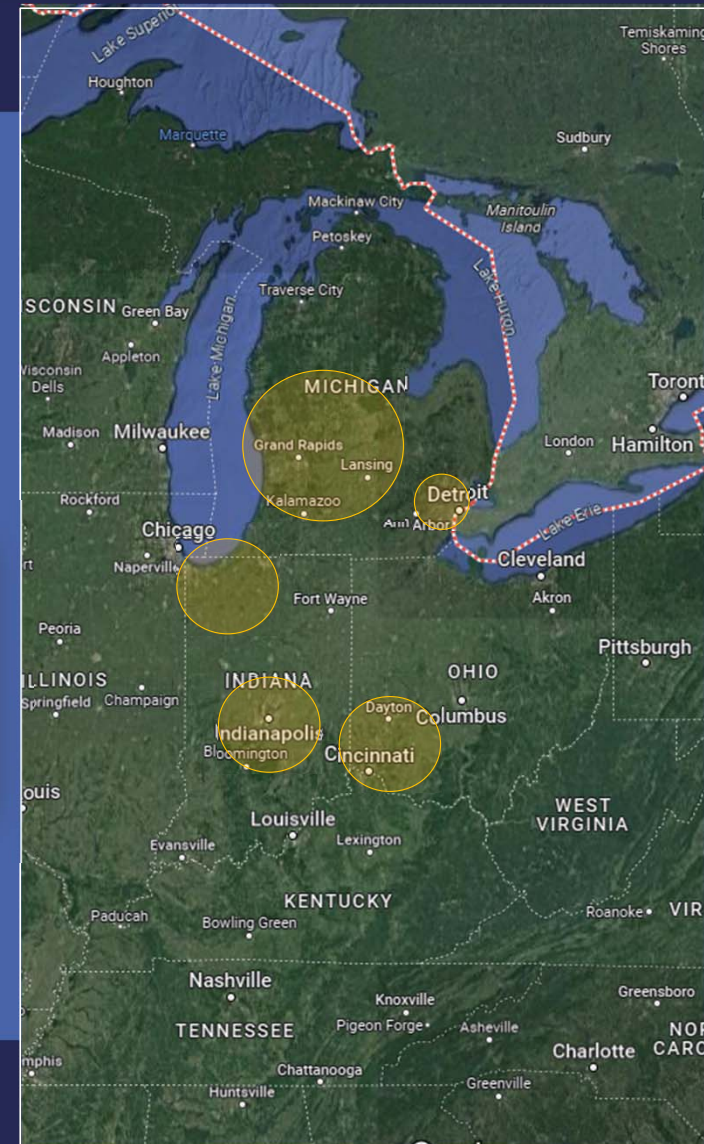
Taco John's New-Store Development Obligations by Year

Year	Cumulative Total
2022 - 2023	13
2024	26
2025	40
2026	55



Current Taco John's Development Market Areas

- West Michigan & Detroit Suburbs
- Cincinnati/Dayton
- Indianapolis & Northern Indiana





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Wendy's

Odqg ##### ; 83 / 333
Ex lq lqj ### 4 / : 33 / 333
Ht x lsp hqw ## 833 / 333
Wrwd ##### 6 / 383 / 333

Vd dv ##### 4 / ; 86 / 333
Vwrh # IE IWGD # 543 / 333
F dvk # Ht x l | ##### 833 / 333

+42%

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taco john's

SINCE 1969

Odqg ##### ; 83 / 333
Ex lq lqj ### 4 / 693 / 333
Ht x lsp hqw ## 733 / 333
Wrwd ##### 5 / 943 / 333

Vd dv ##### 4 / : 67 / 333
Vwrh # IE IWGD # 4 : 8 / 333
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+39%

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Consolidated 5-Year Plan Restaurants in Operation



Key Differentiators

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▪ Nations Premier U.S. Franchise Owner-Operator / Developer.

Management successful history of achieving long-term profitable growth and restaurant expansion targets, generating strong long-term EBITDA growth and value creation.

▪ Unique and Robust Operating Platform.

Highly efficient structure, supported by Cloud-based information technology and architecture constantly evolving around HR, restaurant-level operations, real estate, accounting, data security and consumer analytics.

▪ High QSR Growth Potential.

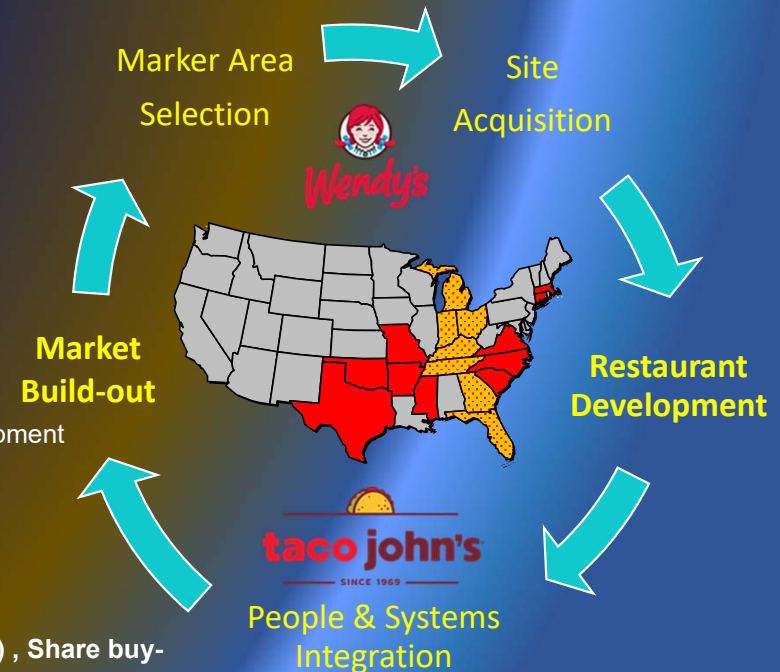
- Wendy's – acquisitions, new builds, and renovations.
- Taco John's – Multi-state exclusive development rights, Meritage only public investment vehicle in the Taco John's franchise brand.
- Morning Belle
 - In-House R&D breakfast-brunch brand

▪ Significant Value-Add Opportunity.

Highly effective Owner-Operator,

with unique Operating, I.T. & Accountings systems, proven long-term profitable growth, new brand development offering;

- EBITDA and dividend growth, continued geographical diversification and scale.
- Discount to 2023 Intrinsic Value / Sum-of-the-Parts Value per share (fully-diluted).
- Future Market Area Recycling (Selling mature markets, buying underdeveloped markets) , Share buy-backs, re-capitalization and/or other shareholder liquidity options, based on common sense, opportunistic approach.





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Questions? Thank-You

