



**FOR IMMEDIATE RELEASE**

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**MERITAGE REPORTS SECOND QUARTER 2024 RESULTS;  
CONTINUED EARNINGS GROWTH AHEAD**

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GRAND RAPIDS, Michigan, Friday, July 12, 2024. Meritage Hospitality Group Inc. (OTCQX: MHGU), the nation's premier franchise operator, today reported financial results for the second quarter ended June 30, 2024.

**Second Quarter 2024 Highlights**

- **Sales were \$172.4 million compared to \$176.6 million for the same period last year.**
- **Earnings from Operations were \$7.1 million compared to \$8.9 million for the same period last year.**
- **Net Earnings were \$3.4 million compared to \$5.9 million for the same period last year.**
- **Consolidated EBITDA (a non-GAAP measure) was \$12.9 million compared to \$15.6 million for the same period last year.**

“Sales improved in the latter half of the quarter as our Wendy’s value offerings and new product offerings helped offset a promotional retail environment. During the first six months of the year our prime costs have steadily improved as food and labor costs regulate. Company sales comparisons remain positive year to date, highlighting the strength and resilience of the Wendy’s brand. We remain focused on driving earnings growth through an increase in store-level performance and new unit development, while leveraging our best-in-class operating platform. We are highly encouraged about Wendy’s new senior leadership’s view on prospects for menu innovation, marketing, digital investments and technology to support restaurant margin performance and system alignment” stated Robert E. Schermer, Jr., the Company’s CEO.

**Six-Month 2024 Highlights**

- **Sales for the six months increased to \$335.2 million compared to sales of \$334.3 million for the same period last year.**
- **Earnings from Operations increased 11.5% to \$11.0 million compared to \$9.8 million for the same period last year.**
- **Net Earnings increased 11.8% to \$5.0 million compared to \$4.5 million for the same period last year.**
- **Consolidated EBITDA (a non-GAAP measure) increased 8.4% to \$22.8 million compared to \$21.0 million for the same period last year.**

The Company has committed significant long-term capital resources to support Wendy's brand initiatives, including continued expansion under the Groundbreaker Incentive Program. Newly built restaurants continue to deliver strong sales and earnings results as guests continue to reward us for the upgraded restaurant facilities and improved overall customer experience.

Meritage continues to distinguish itself as a national leader and innovator in the quick service industry, striving for best-in-class results through a performance-based culture committed to operational excellence, strategic acquisitions, and real estate development.

### **About the Company**

Meritage Hospitality Group is the nation's premier restaurant operator, currently with 388 restaurants in operation located in Arkansas, Connecticut, Florida, Georgia, Indiana, Massachusetts, Michigan, Missouri, Mississippi, North Carolina, South Carolina, Ohio, Oklahoma, Tennessee, Texas and Virginia. Meritage is headquartered in Grand Rapids, Michigan, operating with a workforce of approximately 12,000 employees. As of June 30, 2024, the Company had fully diluted weighted average common shares outstanding of 8,539,892.

The Company's current and publicly available information pursuant to amended SEC Rule 15c2-11 and FINRA Rule 6432 can be found at [www.otcmarkets.com](http://www.otcmarkets.com), under the stock symbol MHGU/Disclosures or the Company's website, [www.meritagehospitality.com](http://www.meritagehospitality.com).

### **SAFE HARBOR STATEMENT**

*Certain information in this news release, particularly information regarding future economic performance and finances, 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>.*

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