



Welcome

2025 Annual Meeting



Proposal 1. – Election of Directors

Chris Armbruster

John Inwright

Dirk Prais

Gary Rose

Michael Ruggeri

Robert Schermer, Jr.

In Grateful Memory



James Peter Bishop

May 30, 1940 - February 23, 2024

Jim was active on the Board of Directors of Small Business Association of Michigan, Michigan Association of Certified Public Accountants and Meritage.



Duane Kluting

September 20, 1949 - March 3, 2025

Duane was active Chairman of the School Board at G.R. West Catholic High School- prior professional CPA roles included accounting at Seidman & Seidman (BDO), Herman Miller, X-Rite and Board member of Meritage.



One of the Nations Premier Franchise Operators



MHGU
LISTED
OTCQX



CEO's Report

New Product Cycle Ahead

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>

CEO's Report

- Restaurant Industry Check-in
- The Wendy's Story
- Morning Belle: Sales Trend & Growth
- 2025 Financial Outlook
- Questions & Answers

STATE OF THE RESTAURANT INDUSTRY 2025

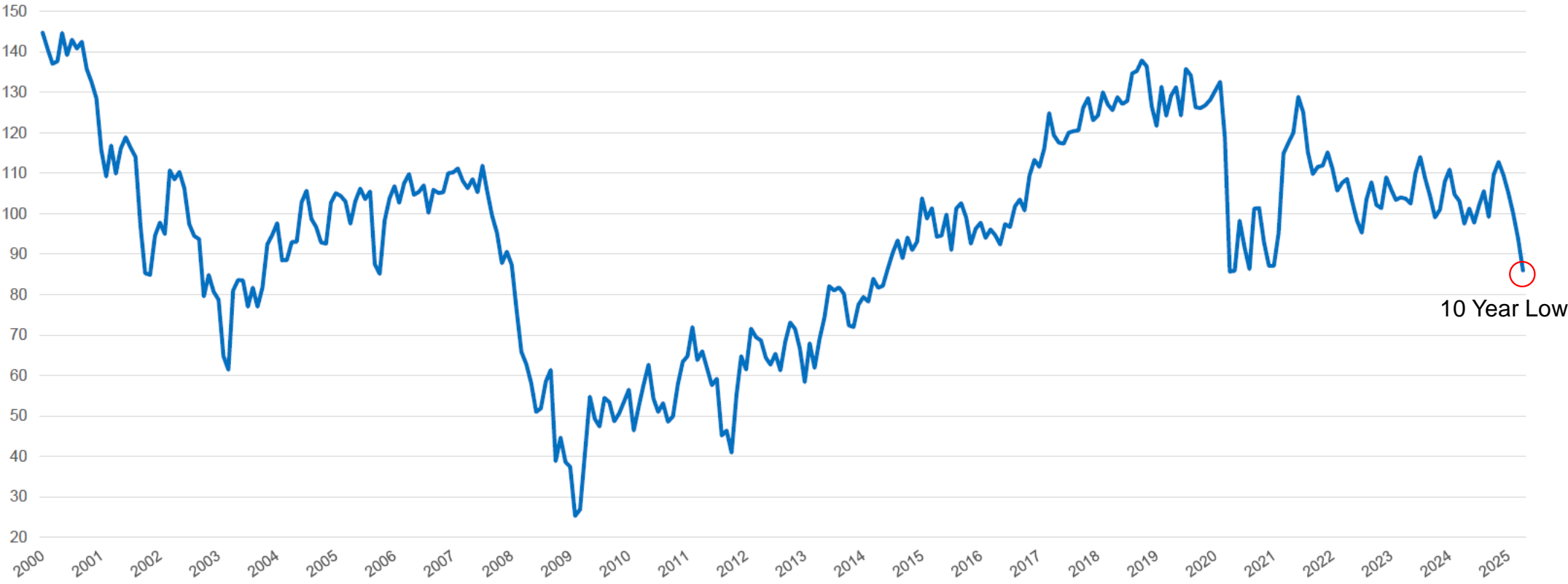
Key findings:

- **Consumers prioritize restaurants:** The foodservice industry is forecast to reach \$1.5T in sales in 2025, and a strong majority of consumers say they would use restaurants more if they had the money.
- **Employment opportunities for all:** The industry workforce is projected to grow by 200K jobs, for total industry employment of 15.9M by the end of 2025.
- **Experience over price:** Many restaurant customers—including 64% of full-service customers and 47% of limited-service customers—say their dining experience is more important than the price of the meal.
- **Value remains top of mind:** To drive customer traffic, 47% of operators plan to add new discounts, deals or value promotions.
- **Boosting on-premises traffic is a priority:** The majority of restaurant operators across all segments—including 90% of fine dining operators and 87% of casual dining operators—say building on-premises business is more important for their success than greater off-premises business.
- **Consumers love restaurants:** 9 in 10 adults say they enjoy going to restaurants. Restaurants allow them to enjoy a favorite meal that has flavor and taste sensations they can't easily replicate at home..

Restaurant Industry Sales in 2025 \$1.5 Trillion

Consumers Remain Anxious About the Economy

U.S. Consumer Confidence Index



10 Year Low

Source: The Conference Board

Restaurant Operators Said Sales and the Economy Were the Top Challenges Facing Their Business in April

Top challenges facing restaurant operators

April 2023

Recruiting Employees 53%

The Economy 13

Labor Costs 11

Food Costs/Availability 8

Sales Volume 5

April 2024

Recruiting Employees 34%

Sales Volume 21

The Economy 18

Labor Costs 11

Food Costs/Availability 6

April 2025

The Economy 22%

Sales Volume 22

Labor Costs 20

Recruiting Employees 16

Food Costs/Availability 11

Source: National Restaurant Association

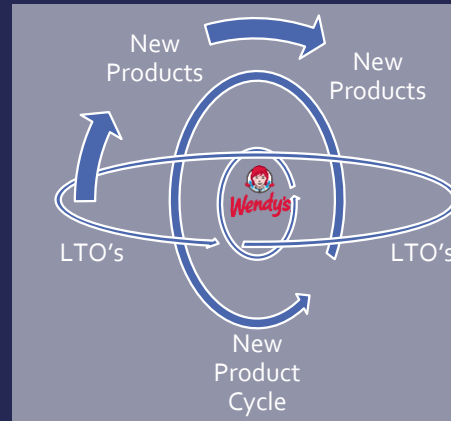
Navigating the Cycles

1) The U.S. has been coming out of a **15-year period of near-zero interest rates**; **Consumer Confidence** at a **10 Year Low**.

2) **Wendy's** is undergoing major **Brand Transformation**;

all-new Senior Leadership Team, Re-investing back in **Field Resources** and **Food R&D**.

3) **Digital & Artificial Intelligence** has promised to reshape the restaurant industry (and the economy).



meritage
HOSPITALITY GROUP





*Excludes Beverage Rebates

Prime Cost

(Food, Paper & Labor)

High Prime Costs = Lower Earnings from Operations - driven by systemwide discounting / inflation and softer QSR sales environment.

Each 1% of Prime Cost improvement equals approximately \$6.7M+ of EBITDA lift for the Company



Actual

The Wendy's Story

A Brand Transformation





Wendy's
**INVESTOR
DAY 2025**



OUR LONG-TERM STRATEGY

**DOUBLE DOWN ON
FRESH, FAMOUS FOOD**



**DELIVER AN EXCEPTIONAL
CUSTOMER EXPERIENCE**



**ACCELERATE
GLOBAL UNIT GROWTH**



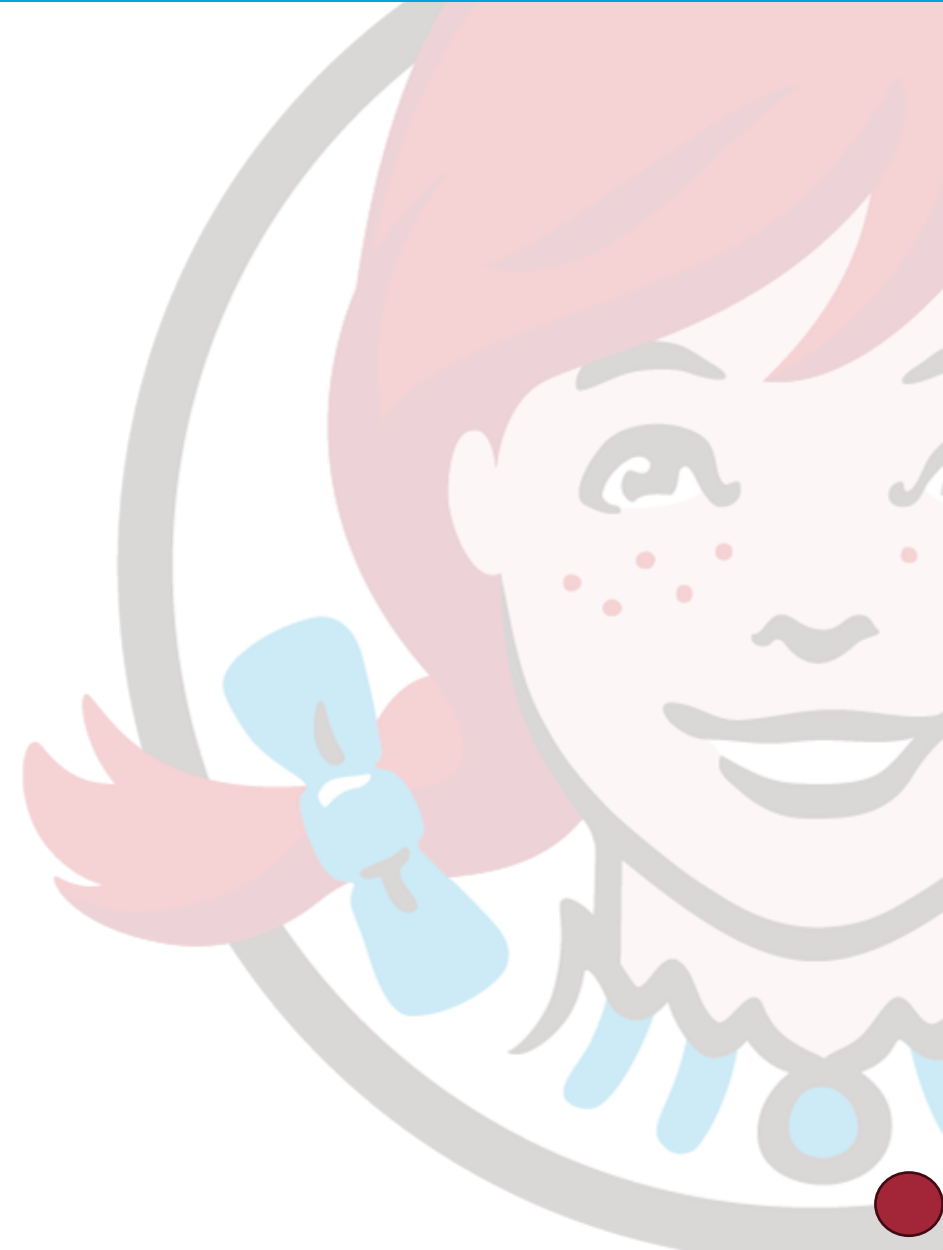
CREATING VALUE FOR FRANCHISEES AND SHAREHOLDERS



2025 New Product Cycle Second-Half Story

FRESH, FAMOUS FOOD

**COMMITTED TO
DELIVERING ON
THREE MENU PILLARS**



OUR MISSION IS CLEAR
FAMOUS FOR CHICKEN

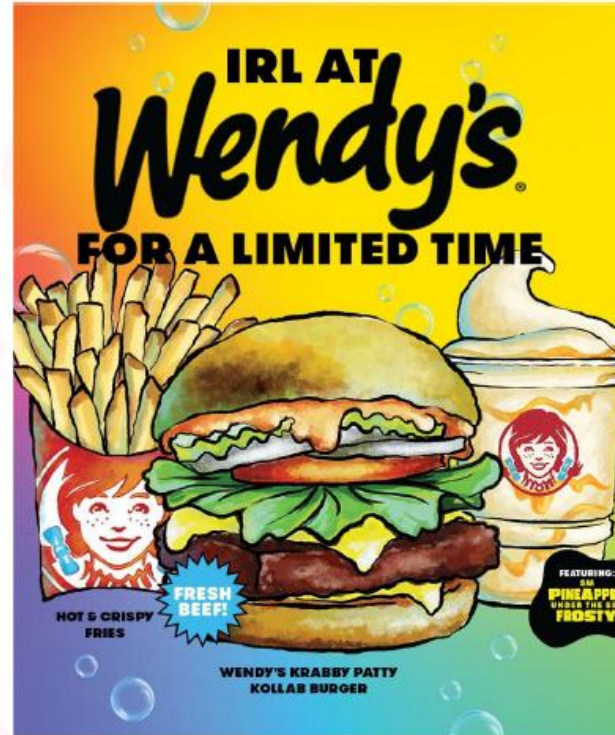


2024: Sponge Bob

Unlocked high latent consumer demand – Sales +20%



NEVER BEEN DONE BEFORE,
FAMOUS FOOD



FRESH BRAND
COLLABORATIONS



Summer 2025

FRESH, FAMOUS COLLABORATIONS



Restaurant Field Resources



WENDY'S POTENTIAL REINVENTED FIELD STRUCTURE TO SUPPORT MODEL OF EXCELLENCE

- Doubling number of restaurant visits
- Investing in added field operations manager roles to increase number of model restaurants
- Investing in new business leader roles accountable for franchisee performance
- Targeted coaching on business performance, strategic growth and investment planning



Wendy's of Michigan, Shift-Manager Leadership Training

Leading Drive-Thru Innovation Wendy's Fresh Ai

Fresh AI is a generative AI assistant that uses voice recognition to take orders at drive-thru.

It is designed to make ordering faster, more accurate, and consistent for customers.

Wendy's plans to expand Fresh AI to over 500 locations by the end of 2025.





The Best of Grand Rapids Winners 2025
Grand Rapids Magazine
Best Breakfast & Best Brunch

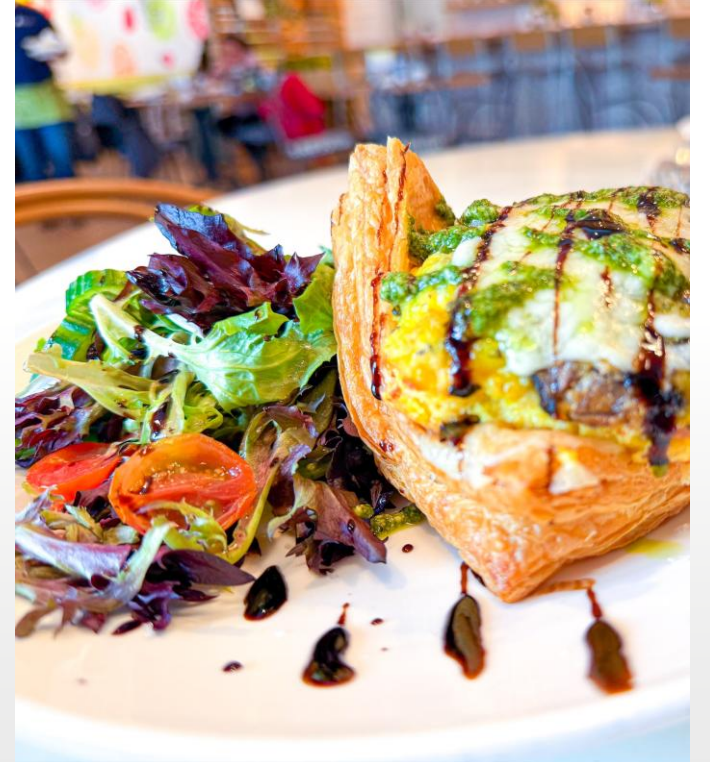
**Q1 2025 Same Store Sales
+15.2%**



3 Existing Locations
Opening 3-5 New Locations in 2025



NEW FLAVOR
ALERT!
MORNING BELLE®



Return on Investment



Morning Belle



Opening May 20, 2025 - Standale, MI

First Watch



New Unit Full-Year Financial Targets		
Sales	\$1.7M	\$2.3M
Store-Level EBITDA Margin	15.9%	19.8%
Net Cost to Build-Out	\$600K	
Cash-on-Cash Return	+52%	

Company Outlook

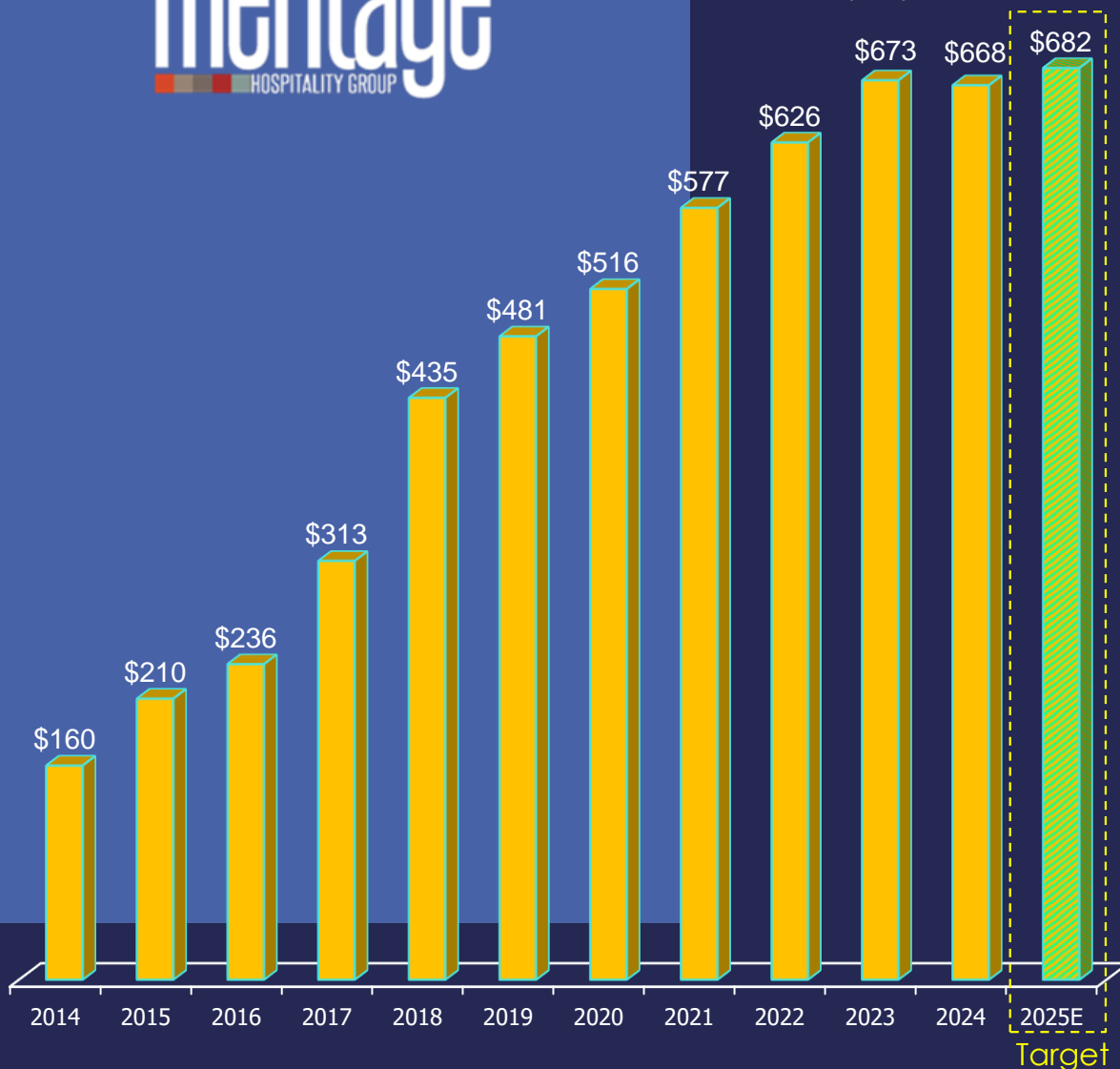


Sales

(\$ in millions)

+15.4% CAGR

10-Year
2014-2024



Consolidated EBITDA

(\$ in millions)

+17.3% CAGR

10-Year
2014-2024



Key Points

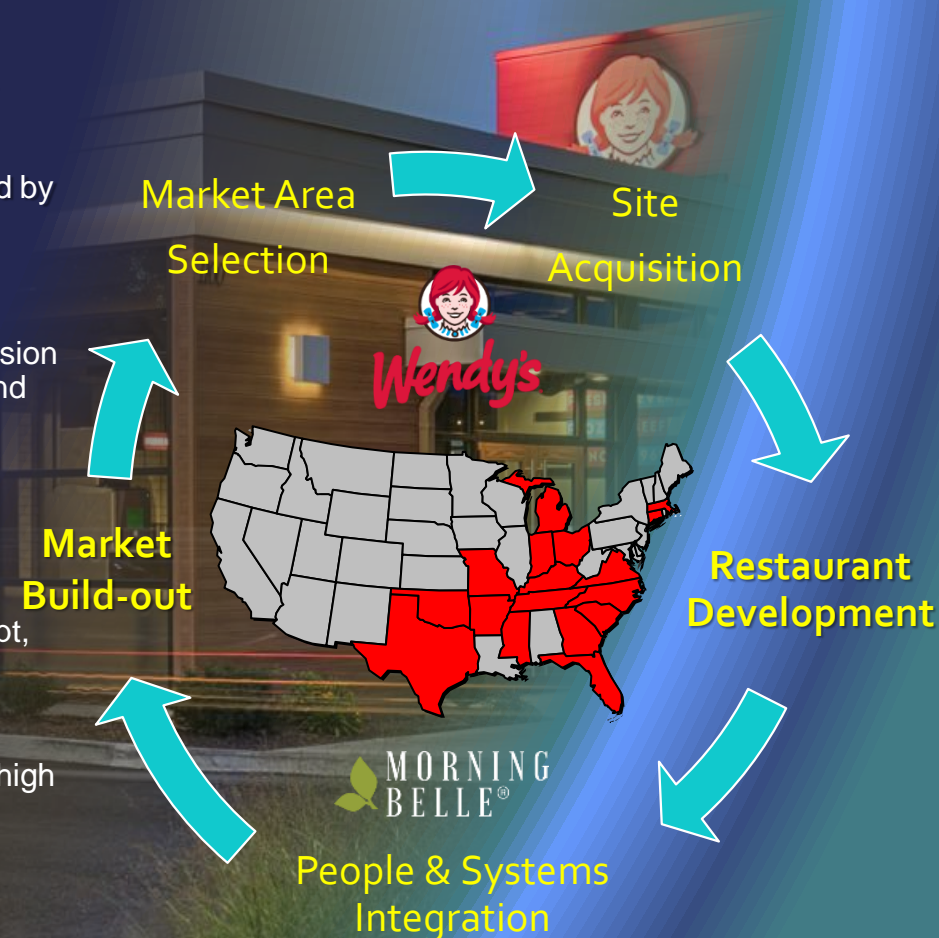
■ Wendy's Sales, Margins & U.S. Consumer Confidence will recover.

While still a “show-me” story, the Wendy's set-up is attractive, with upside catalysts to both sales and margins as new products unlock latent demand in 2H 2025, supported by a strong media spend to build consumer awareness.

■ Nations Premier Franchise Owner-Operator.

Best-in-Class Management Team has achieved successful of long-term profitable growth and restaurant expansion targets, generating strong long-term compounding Sales & EBITDA growth with value creation and superior financial results relative to industry peers.

- **Wendy's** – Brand Transformation under way, strong 2H product innovation cycle, marketing promotions and collaborations.
- **Morning Belle** – Company owned brand, Single shift - breakfast-brunch, lunch concept, strong 2025 same store sales growth, looking to further proof-of-concept and scalability
- **Strategic Partnerships** - Growth capital, distributions & liquidity opportunities are a high priority with consumer and QSR recovery



Q&A



Thank-you for your time and interest!