

Safe Harbor Statement

Certain statements contained in reports we submit to the OTC that are not historical facts constitute forward-looking statements. These statements may be identified by words such as “estimates,” “anticipates,” “hopes,” “projects,” “plans,” “expects,” “believes,” “should,” “would,” “optimistic,” “endeavor,” and similar expressions (including the negative versions) and by the context in which they are used. Such statements are based only upon Meritage’s current expectations. Any forward-looking statement speaks only as of the date made. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied. Meritage undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which they are made. Statements concerning expected financial performance, business strategies, and actions which Meritage intends to pursue to achieve its strategic objectives constitute forward-looking statements. Implementation of strategies and achievement of financial performance are subject to numerous conditions, uncertainties, and risk factors, which could cause actual performance to differ materially from the forward-looking statements. These include, without limitation: risks associated with the level of our indebtedness and our ability to meet covenants in our debt and franchise agreements, including modifications and, as necessary, to refinance or seek further modification of such agreements; competition; changes in the national or local economy; trends involving a general decline in consumer transactions across the QSR industry due to economic uncertainty or otherwise; changes in consumer preferences, tastes and eating habits; concerns about the nutritional quality of our restaurant menu items; economic uncertainty, recessions, disruptions to or reductions in business operations, liquidity, prospects or supply chains due to pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases, its variants and developments related to these types of events; concerns about the consumption of beef or other menu items due to diseases or other food safety issues, including, without limitation, E. coli bacteria; promotions and price discounting by competitors; atypical or severe weather and natural disasters including, without limitation, tropical storms, hurricanes, or tornadoes; changes in travel patterns; road construction; demographic trends; failure to manage social media trends; inflation, including related increases in the cost of food, labor and energy; supply chain interruptions; the availability and cost of suitable restaurant sites; the ability to finance expansion; interest rates; insurance costs; the availability of adequate managers and hourly-paid employees; risks associated with leasing real property; directives issued by the franchisor regarding operations, menu pricing, advertised pricing, national marketing, advertising, digital programs, and capital commitments; the general reputation of Meritage’s and its franchisors’ restaurants; the relationships between Meritage and its franchisors; legal claims and proceedings, including claims that may result in judgments against Meritage requiring the payment of damages or other financial obligations; security, including cyber security and information technology security; credit card fraud; Meritage’s ability to consummate acquisitions or, if consummated, to successfully integrate acquired businesses into Meritage’s operations; Meritage’s execution of growth initiatives; the recurring need for restaurant renovation and capital improvements; government regulations relating to, among other things, zoning, public health, sanitation, alcoholic beverage control, environment, food preparation, minimum and overtime wages and tips, employment of minors, citizenship requirements, working conditions, other labor and employment matters, and the operation of its restaurants; economic changes in the state and local economies where our restaurants are located including, without limitation, Arkansas, Connecticut, Florida, Georgia, Indiana, Massachusetts, Michigan, Mississippi, Missouri, North Carolina, Ohio, Oklahoma, Tennessee, Texas, and Virginia.