



MERITAGE REPORTS NOTICE OF DEFAULT UNDER CREDIT AGREEMENT

GRAND RAPIDS, Michigan, Friday, October 24, 2025. Meritage Hospitality Group Inc. (OTCQX: MHGU) today reported receipt of a notice of event of default (the “Notice”) from City National Bank, as administrative agent for the lenders (the “Lenders”) party to Meritage’s Third Amended and Restated Credit Agreement. By the Notice dated October 17, 2025, the Lenders take the position that, in addition to the default events in the September 19, 2025 notice, the borrowers under the Credit Agreement are in default under the agreement for failure to make October principal payments. As of the date of this report, The Company’s financial obligations under the Credit Agreement are approximately \$150 million.

The Company intends to continue making interest payments under the Credit Agreement, has met with its banking partners and is optimistic that it will resolve the events of default.

About the Company

Meritage Hospitality Group currently operates 384 restaurants located in Arkansas, Connecticut, Florida, Georgia, Indiana, Massachusetts, Michigan, Missouri, Mississippi, North 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 September 28, 2025, the Company had fully diluted weighted average common shares outstanding of 6,695,000.

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, under the stock symbol MHGU/Disclosures or the Company’s website, www.meritagehospitality.com.

Forward Looking Statements

Certain statements contained in this release and the reports we submit to the OTC, including this release, that are not historical facts constitute 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>.