



**FOR IMMEDIATE RELEASE:**

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**MERITAGE ANNOUNCES INCREASED SPECIAL COMMON STOCK  
CASH DIVIDEND**

GRAND RAPIDS, MI, August 29, 2017 – Meritage Hospitality Group, Inc. (OTCQX: MHGU), one of the nation’s premier restaurant operators, today announced that the Company’s Board of Directors approved a special quarterly cash dividend of \$.025 per share at the August 29, 2017 Directors meeting. The dividend is payable on September 22, 2017 to shareholders of record on September 12, 2017.

“Common stock cash dividends paid during the first nine months of the year represent a 40% increase over the same period last year, as we continued to build on two key shareholder objectives; profitable growth and dividend growth”, stated Meritage CEO, Robert Schermer, Jr.

The Company reported strong sales and earnings growth in the first half of the year and believes the momentum will continue into the future. The Company’s growth has been driven by new restaurant development, the reimaging of existing restaurant locations and the integration of newly acquired restaurants. The number of restaurants in operations has increased to 250 compared to 173 last year.

The Company reported earlier that it has embarked on a new five-year business plan, which includes the goal of operating 400 Wendy’s restaurants by 2021. Management believes delivering on the plan will result in significant sales and EBITDA growth over the next five years. The Company considers itself in the early stages of a major growth cycle driven by acquisitions, restaurant renovations and the continuous development of new locations.

The Company reiterated its 2017 Full-Year Financial Targets: Strong Growth Ahead

- Sales growth of +30% to 40%
- Income from Operations growth of +45% to 55%
- Net Earnings growth of +45% to 55%
- EBITDA growth of +35% to 45%
- Common stock dividend growth of +30% to 40%

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

Meritage Hospitality Group is one of the nation's premier restaurant operators, with 250 restaurants in operation located in Florida, Georgia, Michigan, North Carolina, South Carolina, Ohio, Oklahoma and Virginia. Meritage is headquartered in Grand Rapids, Michigan, operating with a growing workforce of approximately 7,600 employees. The Company's public filings can be viewed at [www.otcqx.com](http://www.otcqx.com), under the stock symbol MHGU, 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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