

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934  
(Amendment No. )

Filed by the Registrant ☐ ]

Filed by a Party other than the Registrant ☒ [X]

Check the appropriate box:

- ☐ [ ] Preliminary Proxy Statement
- ☐ [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- ☐ [ ] Definitive Proxy Statement
- ☒ [X] Definitive Additional Materials
- ☐ [ ] Soliciting Material Under Rule 14a-12

PIZZA INN, INC.

-----  
(Name of Registrant as Specified in Its Charter)

NEWCASTLE PARTNERS, L.P.  
NEWCASTLE CAPITAL MANAGEMENT, L.P.  
NEWCASTLE CAPITAL GROUP, L.L.C.  
MARK E. SCHWARZ  
STEVEN J. PULLY  
RAMON D. PHILLIPS  
ROBERT B. PAGE

-----  
(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ [X] No fee required.
- ☐ [ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

-----  
(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

-----  
(4) Proposed maximum aggregate value of transaction:

-----  
(5) Total fee paid:

-----  
☐ [ ] Fee paid previously with preliminary materials:

-----  
☐ [ ] Check box if any part of the fee is offset as provided by Exchange

Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

-2-

ANNUAL MEETING OF SHAREHOLDERS  
OF  
PIZZA INN, INC.

SUPPLEMENT NO. 1 TO PROXY STATEMENT  
OF  
NEWCASTLE PARTNERS, L.P.

PLEASE SIGN, DATE AND MAIL THE ENCLOSED REVISED GOLD PROXY CARD  
EVEN IF YOU HAVE COMPLETED AND RETURNED THE GOLD PROXY CARD YOU  
MAY HAVE PREVIOUSLY RECEIVED FROM NEWCASTLE PARTNERS

This supplement to proxy statement is being furnished to you by Newcastle Partners, L.P., a Texas limited partnership ("Newcastle Partners" or "we"), in connection with the annual meeting of shareholders of Pizza Inn, Inc., a Missouri corporation ("Pizza Inn" or the "Company") scheduled to be held at 11:00 A.M. (Dallas time), on Wednesday, February 11, 2004, at the Company's headquarters at 3551 Plano Parkway, The Colony, Texas 75056, including any adjournments or postponements thereof and any meeting which may be called in lieu thereof (the "Annual Meeting"). This supplement should be read in conjunction with our proxy statement dated January 2, 2004 previously or concurrently herewith being delivered to shareholders. This supplement and the enclosed REVISED GOLD proxy card are first being mailed on or about January 13, 2004 to shareholders of record as of December 31, 2003. The date of this supplement is January 12, 2004.

Newcastle Partners is the largest shareholder of Pizza Inn. Newcastle Partners is seeking your support for the

- o election of its slate of nominees, Steven J. Pully, Robert B. Page and Ramon D. Phillips, to the board of directors of the Company - Mr. Pully is also a nominee of the Company;
- o adoption of proposals to repeal certain amendments to the Company's bylaws approved by the board of directors of the Company on December 18, 2002; and
- o adoption of a resolution recommending that the board of directors of the Company reimburse Newcastle Partners for all expenses it incurs in connection with this proxy solicitation.

POSTPONEMENT OF ANNUAL MEETING AND CHANGE OF RECORD DATE

The Annual Meeting was previously scheduled to take place on January 21, 2004. We filed our definitive proxy statement with the Securities and Exchange Commission on January 2, 2004 and first mailed the proxy statement to shareholders on January 5, 2004. As of the date of our mailing, the Company had not yet filed a definitive proxy statement with the Securities and Exchange Commission. Just one day after our mailing, the Company rescheduled its already-delayed Annual Meeting to February 11, 2004, further increasing the cost of our proxy solicitation.

The Company also changed the record date for determining shareholders entitled to notice of and to vote at the Annual Meeting from

November 26, 2003 to December 31, 2003 (the "New Record Date"), frustrating our efforts to solicit shareholders. According to the Company, as of the New Record Date, there were 10,073,674 shares of common stock, \$.01 par value per share, outstanding and entitled to vote at the Annual Meeting.

This supplement and the enclosed REVISED GOLD proxy card are being furnished in order to provide notice to shareholders of the postponement of the Annual Meeting and the New Record Date and to allow shareholders of record to vote for our nominees and shareholder proposals. If you are a shareholder as of the New Record Date and have already completed and returned the original proxy card previously furnished by Newcastle Partners, such proxy will continue to be valid. However, we encourage you to also sign, date and return the enclosed REVISED GOLD proxy card.

THIS SOLICITATION IS BEING MADE BY NEWCASTLE PARTNERS AND NOT ON BEHALF OF THE BOARD OF DIRECTORS OR MANAGEMENT OF PIZZA INN.

NEWCASTLE PARTNERS URGES YOU TO SIGN, DATE AND RETURN THE ENCLOSED REVISED GOLD PROXY CARD IN FAVOR OF THE ELECTION OF ITS NOMINEES AND THE SHAREHOLDER PROPOSALS DESCRIBED IN ITS PROXY STATEMENT. EVEN IF YOU HAVE COMPLETED AND RETURNED THE ORIGINAL GOLD PROXY CARD PREVIOUSLY FURNISHED BY NEWCASTLE PARTNERS, WE ENCOURAGE YOU TO SIGN, DATE AND RETURN THE ENCLOSED REVISED GOLD PROXY CARD.

IF YOU HAVE ALREADY SENT A PROXY CARD FURNISHED BY PIZZA INN MANAGEMENT TO PIZZA INN, YOU MAY REVOKE THAT PROXY AND VOTE FOR THE ELECTION OF NEWCASTLE PARTNERS' NOMINEES AND SHAREHOLDER PROPOSALS BY SIGNING, DATING AND RETURNING THE ENCLOSED REVISED GOLD PROXY CARD. THE LATEST DATED PROXY IS THE ONLY ONE THAT COUNTS. ANY PROXY MAY BE REVOKED AT ANY TIME PRIOR TO THE ANNUAL MEETING BY DELIVERING A WRITTEN NOTICE OF REVOCATION OR A LATER DATED PROXY FOR THE ANNUAL MEETING TO NEWCASTLE PARTNERS, C/O MACKENZIE PARTNERS, INC. WHICH IS ASSISTING IN THIS SOLICITATION, OR TO THE SECRETARY OF PIZZA INN, OR BY VOTING IN PERSON AT THE ANNUAL MEETING.

If you have any questions regarding your proxy, or need assistance in voting your shares, please call:

[MACKENZIE PARTNERS, INC. LOGO]

105 Madison Avenue  
New York, New York 10016  
(212) 929-5500 (Call Collect)  
proxy@mackenziepartners.com

or  
CALL TOLL FREE (800) 322-2885

REVISED GOLD PROXY

PIZZA INN, INC.

ANNUAL MEETING OF SHAREHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF NEWCASTLE PARTNERS, L.P.

THE BOARD OF DIRECTORS OF PIZZA INN, INC.  
IS NOT SOLICITING THIS PROXY

The undersigned appoints Mark E. Schwarz and Steven J. Pully, and each of them, attorneys and agents with full power of substitution to vote all shares of common stock of Pizza Inn, Inc. (the "Company") which the undersigned would be entitled to vote if personally present at the Annual Meeting of Shareholders of the Company to be held at the Company's corporate offices, 3551 Plano Parkway, The Colony, Texas 75056 on Wednesday, February 11, 2004, at 11:00 A.M. (Dallas time), and including at any adjournments or postponements thereof and at any meeting called in lieu thereof (the "Annual Meeting").

The undersigned hereby revokes any other proxy or proxies heretofore given to vote or act with respect to the shares of common stock of the Company held by the undersigned, and hereby ratifies and confirms all action the herein named attorneys and proxies, their substitutes, or any of them may lawfully take by virtue hereof. If properly executed, this Proxy will be voted as directed on the reverse and in their discretion with respect to any other matters as may properly come before the Annual Meeting.

IF NO DIRECTION IS INDICATED WITH RESPECT TO THE PROPOSALS ON THE REVERSE, THIS PROXY WILL BE VOTED (1) FOR THE ELECTION OF THE NEWCASTLE PARTNERS, L.P. NOMINEES, OR ANY SUBSTITUTIONS THERETO, (2) FOR PROPOSALS TO ADOPT RESOLUTIONS REPEALING EACH OF THE FOLLOWING BYLAW AMENDMENTS OF THE AMENDED AND RESTATED BYLAWS OF THE COMPANY ADOPTED ON DECEMBER 18, 2002: (i) THE AMENDMENT TO ARTICLE

III, SECTION 7 THAT ELIMINATES THE ABILITY OF SHAREHOLDERS TO CALL A SPECIAL MEETING OF SHAREHOLDERS; (ii) THE NEW ARTICLE III, SECTION 13 THAT REQUIRES SHAREHOLDERS TO COMPLY WITH CERTAIN PROCEDURES IN ORDER TO BRING BUSINESS BEFORE A SHAREHOLDERS MEETING; AND (iii) THE NEW ARTICLE IV, SECTION 6 THAT REQUIRES SHAREHOLDERS TO COMPLY WITH CERTAIN PROCEDURES IN ORDER TO NOMINATE DIRECTORS AND (3) FOR THE PROPOSAL TO ADOPT A RESOLUTION RECOMMENDING TO THE BOARD OF DIRECTORS OF THE COMPANY THAT THE COMPANY REIMBURSE NEWCASTLE PARTNERS, L.P. FOR ALL EXPENSES IT INCURS IN CONNECTION WITH ITS SOLICITATION OF PROXIES FOR THE ANNUAL MEETING.

This Proxy will be valid until the sooner of one year from the date indicated on the reverse side and the completion of the Annual Meeting.

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

YOUR VOTE  
IS IMPORTANT

REVISED GOLD PROXY

NEWCASTLE PARTNERS, L.P. RECOMMENDS A VOTE FOR PROPOSALS 1, 2 AND 3

1. ELECTION OF DIRECTORS:

	FOR ALL NOMINEES	WITHHOLD AUTHORITY TO VOTE FOR ALL NOMINEES
Nominees: (01) Robert B. Page, (02) Ramon D. Phillips, and (03) Steven J. Pully	[ ]	[ ]

[ ] FOR EXCEPT VOTE WITHHELD FROM FOLLOWING NOMINEES:

-----  
Nominee Exceptions

2. APPROVAL TO ADOPT RESOLUTIONS REPEALING THE FOLLOWING BYLAW AMENDMENTS OF THE AMENDED AND RESTATED BYLAWS OF THE COMPANY ADOPTED ON DECEMBER 18, 2002:

(i) AMENDMENT TO ARTICLE III, SECTION 7 THAT ELIMINATES THE ABILITY OF SHAREHOLDERS TO CALL A SPECIAL MEETING OF SHAREHOLDERS

FOR	AGAINST	ABSTAIN
[ ]	[ ]	[ ]

(ii ) NEW ARTICLE III, SECTION 13 THAT REQUIRES SHAREHOLDERS TO COMPLY WITH CERTAIN PROCEDURES IN ORDER TO BRING BUSINESS BEFORE A SHAREHOLDERS MEETING

FOR	AGAINST	ABSTAIN
[ ]	[ ]	[ ]

(iii) NEW ARTICLE IV, SECTION 6 THAT REQUIRES SHAREHOLDERS TO COMPLY WITH CERTAIN PROCEDURES IN ORDER TO NOMINATE DIRECTORS

FOR	AGAINST	ABSTAIN
[ ]	[ ]	[ ]

3. APPROVAL TO ADOPT RESOLUTION RECOMMENDING TO THE BOARD OF DIRECTORS OF THE COMPANY THAT THE COMPANY REIMBURSE NEWCASTLE PARTNERS, L.P. FOR ALL EXPENSES IT INCURS IN CONNECTION WITH ITS SOLICITATION OF PROXIES FOR THE ANNUAL MEETING:

FOR	AGAINST	ABSTAIN
[ ]	[ ]	[ ]

4. In their discretion with respect to any other matters as may properly come before the Annual Meeting.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Signature(s)

Title: \_\_\_\_\_

PLEASE SIGN EXACTLY AS NAME APPEARS ON THIS PROXY. WHEN SHARES ARE HELD JOINTLY,  
JOINT OWNERS SHOULD EACH SIGN. EXECUTORS, ADMINISTRATORS, TRUSTEES, ETC., SHOULD  
INDICATE THE CAPACITY IN WHICH SIGNING.

IMPORTANT:

PLEASE SIGN, DATE  
AND MAIL THIS PROXY CARD  
PROMPTLY!