

MTY enters into an agreement to acquire 60% of Big Smoke Burger

TSX Trading Symbol: "MTY"

MONTREAL, Aug. 19, 2015 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick service restaurants, announced today that its wholly-owned subsidiary MTY Tiki Ming Enterprises Inc. has reached a binding agreement to acquire 60% of Big Smoke Burger (www.bigsmokeburger.com). The consideration for the transaction is expected to be \$3 million, paid from MTY's cash on hand.

There are totally 17 Big Smoke Burger ("Big Smoke") in operations presently, including 9 stores in Canada, 4 of which are corporately-owned, 8 stores in the US and overseas and an additional 6 stores that are pending and are expected to open within 12 months of closing. During the last twelve months, the network of Big Smoke has generated sales of over \$14 million. Big Smoke prides itself as providing the best quality burger experience imaginable, serving hand-made food prepared only with fresh ingredients.

"Gourmet burger is a rapidly expanding segment of the food industry, and Big Smoke is undeniably one of the leaders of this segment", said Stanley Ma, CEO of MTY. "We are really excited to have the opportunity to team up with Big Smoke to expand our presence in the high-growth, "artisan better burger" segment".

Mustafa Yusuf, the current owner and president of Big Smoke, will retain 40% of the company. He will continue in his functions following the conclusion of the transaction.

The closing of the transaction is scheduled to happen in September 2015 and remains subject to several closing conditions as well as to standard regulatory approvals. Following the closing of the transaction, the operations will be relocated to MTY's offices in Richmond Hill, Ontario.

Certain information in this News Release may constitute "forward-looking" information that involves known and unknown risks, uncertainties, future expectations and other factors which may cause the actual results, performance or achievements of the Company or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this News Release, this information may include words such as "anticipate", "estimate", "may", "will", "expect", "believe", "plan" and other terminology. This information reflects current expectations regarding future events and operating performance and speaks only as of the date of this News Release. Except as required by law, we assume no obligation to update or revise forward-looking information to reflect new events or circumstances. Additional information is available in the Company's Management Discussion and Analysis, which can be found on SEDAR at www.sedar.com.

**On Behalf of the Board of Directors of
MTY Food Group Inc.**

Stanley Ma, Chairman, President & CEO

SOURCE MTY Food Group Inc.

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For further information: For more information please contact Eric Lefebvre, Chief Financial Officer at 1-514-336-8885 x 288 or by email at ir@mtygroup.com, or visit our website: www.mtygroup.com or SEDAR's website at www.sedar.com under the Company's name.

CO: MTY Food Group Inc.

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