

MTY FOOD GROUP INC.
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TSX Trading Symbol: "MTY"

NEWS RELEASE

**MTY COMPLETES THE ACQUISITION OF
DAGWOODS SANDWICHES AND SALADS**

Montreal, September 29, 2017 - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY) announced today that pursuant to the announcement made on June 20, 2017, it has acquired the totality of the assets of Dagwoods Sandwiches and Salads (www.dagwoods.ca) ("Dagwoods").

The total consideration for the transaction is approximately \$3.0 million, of which \$2.6 million was paid on closing, \$0.3 million was retained as holdback on the transaction and \$0.1 million in net liabilities were assumed. The consideration paid on closing was paid in cash, financed from MTY's cash on hand.

At closing, the Dagwoods network operates twenty franchised restaurants and two corporately-operated kiosks.

Mr. Spiro Krallis, Dagwoods' current president, will continue with MTY for a three-month period to ensure a smooth transition. Mr. Michel Lamontagne will be leading the Dagwoods operations following the closing of the transaction. MTY expects to move the Dagwoods operations to its headquarters in St-Laurent, Quebec.

Forward looking information

Certain information in this News Release constitutes "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 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" or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. This forward-looking information reflects current expectations and assumptions regarding future events and operating performance and speaks only as of the date of this News Release. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in MTY's disclosure documents on the SEDAR website at www.sedar.com. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this News Release is expressly qualified by this cautionary statement. Except as required by law, the Company assumes no obligation to update or revise forward-looking information to reflect new events or circumstances. Financial outlooks contained in this News Release were approved by management of the Company on September 28, 2017. The purpose of this information is to provide a potential financial outlook of the combined entity and this information may not be appropriate for other purposes. 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

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.