

**MTY FOOD GROUP INC.**  
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**NEWS RELEASE**

**MTY ENTERS INTO AN AGREEMENT TO ACQUIRE THE ASSETS OF  
TIMOTHY'S WORLD COFFEE AND MMMUFFINS**

Montreal, February 15, 2018 - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY) announced today that one of its wholly-owned subsidiaries has signed an agreement to acquire the assets of Timothy's World Coffee ("Timothy's") ([www.timothyscafes.com](http://www.timothyscafes.com)) and Mmmuffins ([www.mmmuffins.com](http://www.mmmuffins.com)), from Threecaf Brands, Canada, Inc., a subsidiary of Le Duff America, for an estimated consideration of \$1.675 million.

Under the terms of the agreement, MTY will acquire the current 28 franchised and 7 corporately owned Timothy's locations in Canada, 2 licensed Timothy's locations in United States, 3 Mmmuffins and 2 co-branded franchised locations in Canada and the license to operate and franchise coffee shops under the tradename Timothy's which is owned by Keurig Canada. During the past 12 months, the Timothy's and Mmmuffins networks have generated sales of approximately \$15.6 million.

The transaction is expected to close in April of 2018 and remains subject to multiple conditions, including standard regulatory approvals and other conditions customary for a transaction of this nature. There is no assurance the transaction will be completed as described above or at all, or that the anticipated closing date will materialize.

MTY expects to move the Timothy's and Mmmuffins operations to its office located in Richmond Hill, Ontario.

**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. In particular, this News Release contains forward-looking information regarding: the completion of the Timothy's and Mmmuffins acquisition, the potential closing date of the Timothy's and Mmmuffins acquisition and the potential impact of the Timothy's and Mmmuffins acquisition on the Company's future operations; opportunities, growth and expansion; the suitability of the Timothy's and Mmmuffins acquisition by the Company; the effect of the Timothy's and Mmmuffins acquisition on Timothy's stakeholders; the location of MTY's head office and where MTY's operations will be managed; the retention of Timothy's' and Mmmuffins management team.

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. These assumptions include, but are not limited to: currency exchange rates used to derive Canadian dollar expectations; market acceptance of the Timothy's and Mmmuffins acquisition; the satisfactory fulfilment of all of the conditions precedent to the Timothy's and Mmmuffins acquisition; the receipt of all required approvals and consents including regulatory, TSX, shareholder and any other approvals; acceptable financing to complete the Timothy's and Mmmuffins acquisition; future results of Timothy's' and Mmmuffin business and operations meeting or exceeding historical results; the success of the integration of Timothy's' and Mmmuffins operations and management team with the Company's operations and business; and market acceptance of potential future acquisitions by the Company. 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 the disclosure documents on the SEDAR website at [www.sedar.com](http://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 February 15, 2018. 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](http://www.sedar.com).

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

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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](mailto:ir@mtygroup.com), or visit our website: [www.mtygroup.com](http://www.mtygroup.com) or SEDAR's website at [www.sedar.com](http://www.sedar.com) under the Company's name.