



INVESTOR PRESENTATION

NOVEMBER 2019



Forward-looking Statements



This presentation may contain written and oral statements that constitute forward-looking statements. These forward-looking statements may involve, but are not limited to, comments with respect to our business or financial objectives, our strategies or future actions, our targets, expectations for our financial condition or our outlook for our operations and future earn-out and additional equity interest obligations.

Forward looking statements are not guarantees of future results, performance, achievements or developments and actual results, performance, achievements or developments may differ materially from those in the forward-looking statements as a result of various factors, including downturns in general economic conditions, consolidation and globalisation of the industry, the highly competitive nature of the quick service restaurant industry, the greater resources available to much larger global players, low entry barriers for new competitors, our ability to successfully integrate our acquired and to-be-acquired businesses and the retention of key management personnel. Assumptions relating to the foregoing involve judgments and risks, all of which are difficult or impossible to predict accurately and many of which are beyond our control.

Although we believe that the expectations reflected in the forward-looking statements are reasonable based on information currently available to us, we cannot assure that the expectations will prove to have been correct. Accordingly you should not place undue reliance on forward-looking statements. In particular, forward-looking statements do not reflect the potential impact of any merger or acquisitions or other business combinations or divestitures that may be announced or completed after such statements are made. Reference should be made to the most recent annual Management's Discussion and Analysis for an in-depth description of major risk factors.

Non-IFRS Measures



Unless otherwise indicated, the financial information presented below, including tabular amounts, is expressed in Canadian dollars and prepared in accordance with International Financial Reporting Standards (“IFRS”). MTY uses earnings before interest, taxes, depreciation and amortization (“EBITDA”), because this measure enables management to assess the Company’s operational performance. The Company also discloses same-store sales growth, which are defined as comparative sales generated by stores that have been open for at least thirteen months or that have been acquired more than thirteen months ago, and system sales, which represents the total net sales of the franchised and corporate restaurants of its network.

These measures are widely accepted financial indicators but are not a measurement determined in accordance with GAAP and may not be comparable to those presented by other companies. These non-GAAP measures are intended to provide additional information about the performance of MTY, and should not be considered in isolation or as a substitute for measure of performance prepared in accordance with GAAP.

The Company uses these measures to evaluate the performance of the business as they reflect its ongoing operations. Management believe that certain investors and analysts use EBITDA to measure a company’s ability to meet payment obligations or as a common measurement to value companies in the industry. Similarly, system sales and same-store sales growth provides additional information to investors about the performance of the network that is not available under GAAP. These measures are components in the determination of short-term incentive compensation for some employees.

This presentation should be read in conjunction with the Company’s financial statements and the notes thereto and the Management Discussion and Analysis (MD&A).

Agenda



INVESTMENT THESIS



OVERVIEW OF MTY GROUP



MARKET OVERVIEW



STRATEGY AND FUTURE GROWTH



FINANCIAL TRENDS



Q3-2019 RESULTS



APPENDIX

- Historical Data
- Papa Murphy's Acquisition



INVESTMENT THESIS



Investment Thesis

- Proven consolidator with disciplined acquisition strategy
- Track record of growth
- Strong cash flow generation ability
- Recurring revenue streams in the franchising segment
- Diversified portfolio of over 80 brands
- Knowledgeable and committed team
- Well positioned for more acquisitions





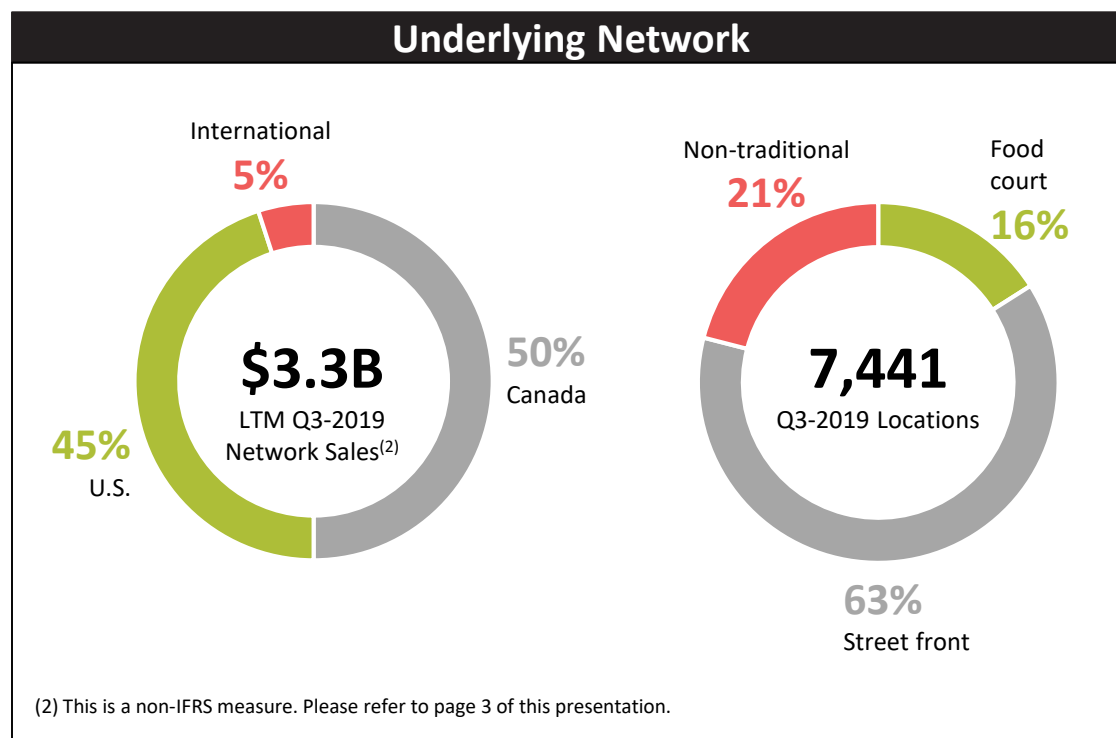
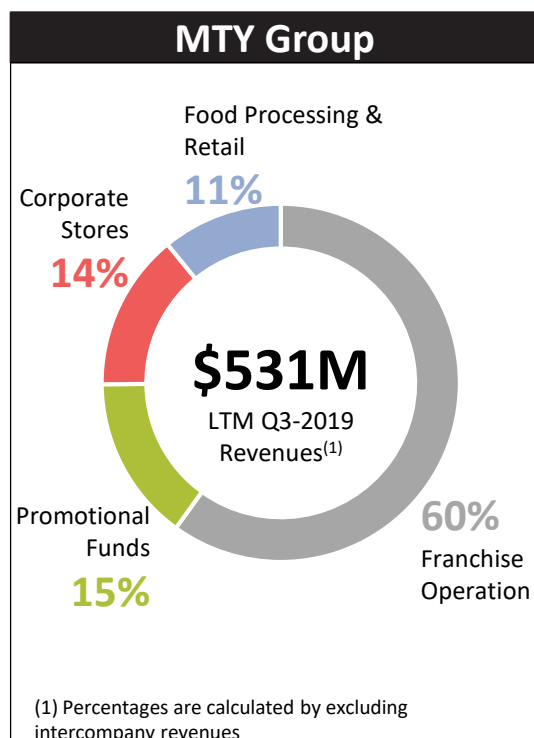
OVERVIEW OF MTY GROUP



MTY Group at a Glance

GRUPE
MTY
GROUP

Franchises and operates quick-service and casual dining restaurants under ≈ 80 brands



Ticker

MTY

Market Cap.

\$1.3B

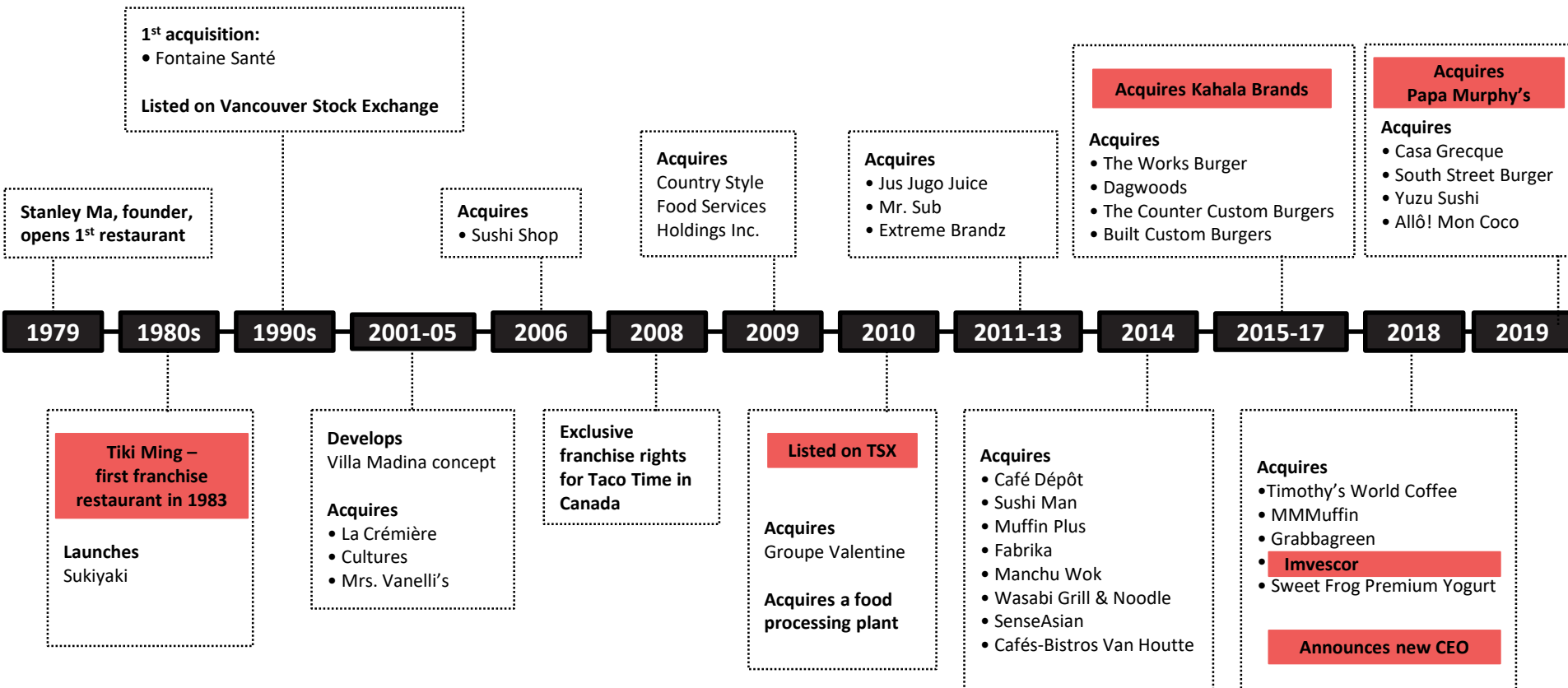
Brands

≈ 80

As at October 31, 2019

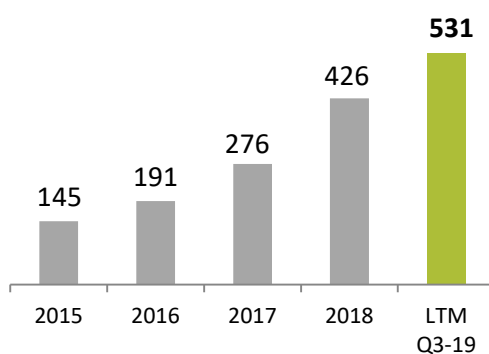
* 2018 figures have been restated to reflect the adoption of IFRS 15.

Milestones in ~40-Year History

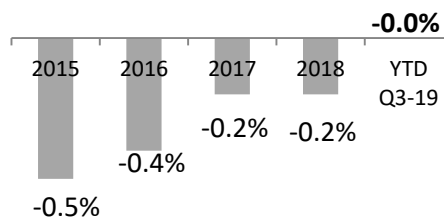


Track Record of Growth

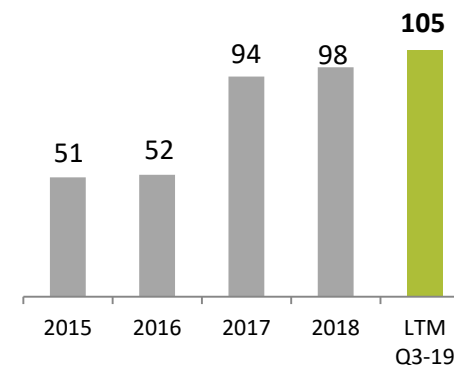
Revenues (M\$)



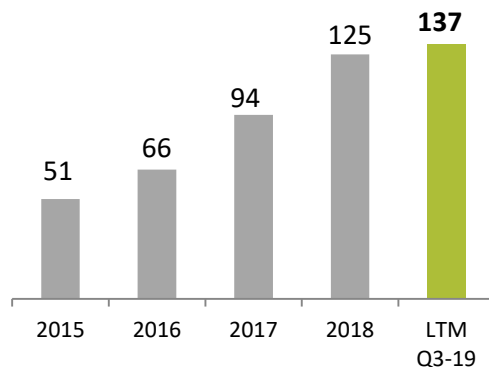
Same Store Sales Growth⁽¹⁾



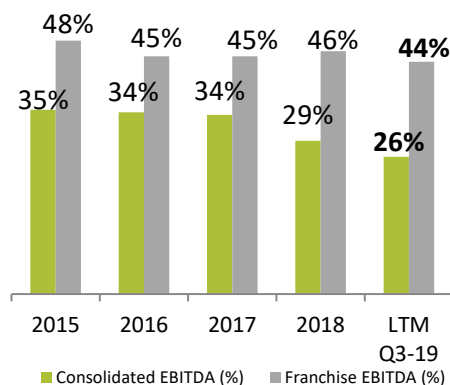
Operating Cash Flow (M\$)



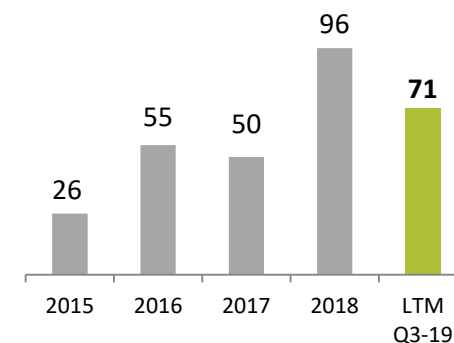
EBITDA⁽¹⁾ (M\$)



EBITDA⁽¹⁾ Margin (%)



Net Income (M\$)



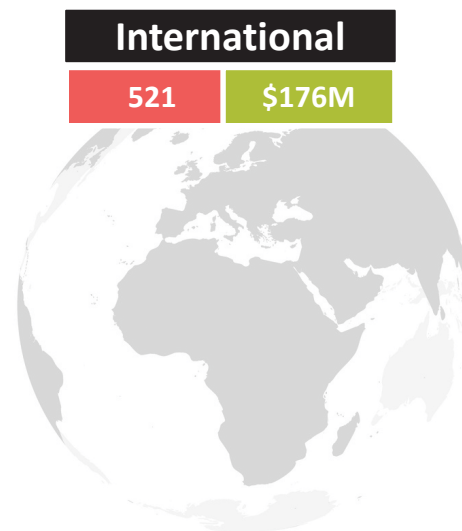
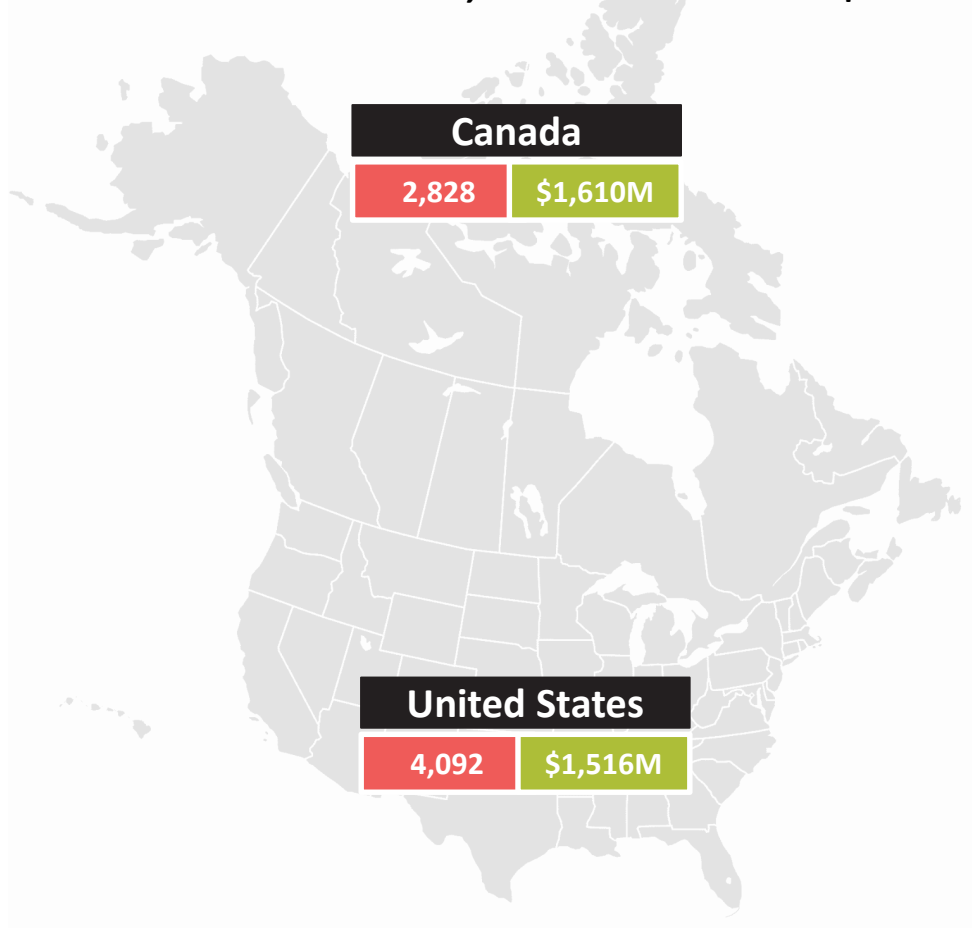
(1) This is a non-IFRS measure. Please refer to page 3 of this presentation.

* 2018 figures have been restated to reflect the adoption of IFRS 15.

International Network in 39 Countries

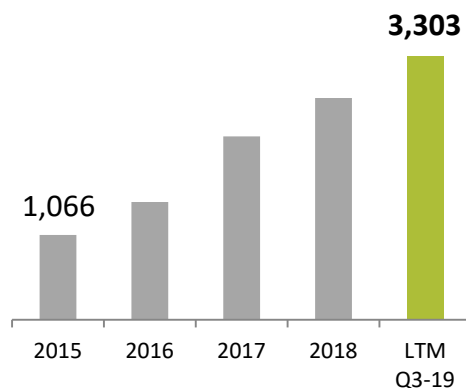


7,441 locations and \$3.3B in Sales in LTM Q3-2019

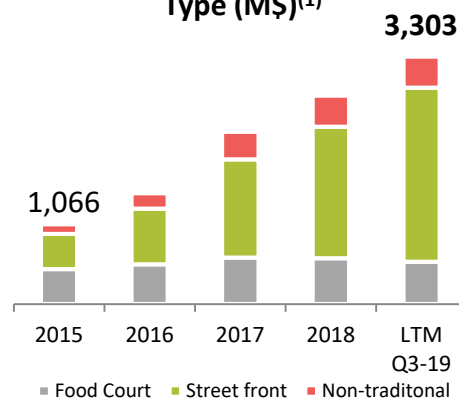


Network Evolution

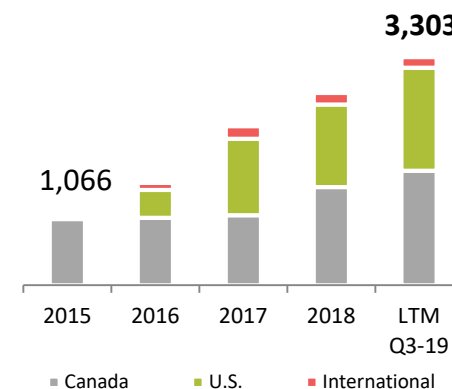
Network Sales (M\$)⁽¹⁾



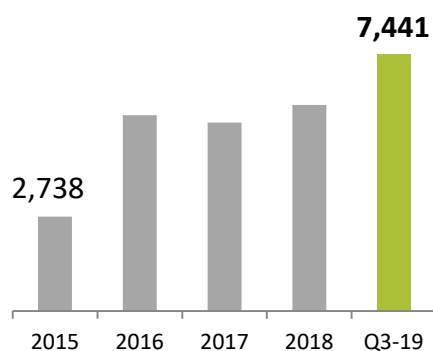
Network Sales by Type (M\$)⁽¹⁾



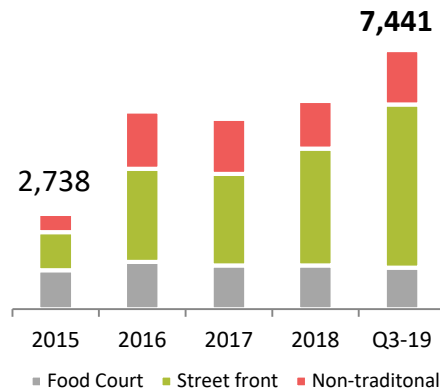
Network Sales by Geography (%)⁽¹⁾



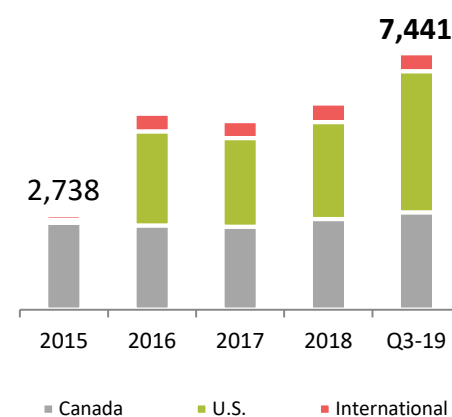
Number of Locations



Locations by Type



Locations by Geography



(1) This is a non-IFRS measure. Please refer to page 3 of this presentation.

Growing by Acquisitions

MTY has realized over 50 acquisitions since 1999

1999-2005

- Fontaine Santé/Veggirama
- La Crémère
- Croissant Plus
- Cultures
- Thai Express
- Mrs. Vanelli's
- TCBY – Canadian master franchise right

2006-2010

- Yogen Früz – Canadian master franchise right
- Sushi Shop
- Koya Japan
- Sushi Shop – existing franchise locations
- Tutti Frutti
- Taco Time – Canadian master franchise rights
- Country Style Food Services Holdings Inc.
- Groupe Valentine inc.

2011-2015

- Jugo Juice
- Mr. Submarine
- Koryo Korean BBQ
- Mr. Souvlaki
- SushiGo
- Extreme Pita
- PurBlendz
- Mucho Burrito
- ThaiZone
- Madisons
- Café Dépôt
- Muffin Plus
- Sushi-Man
- Fabrika
- Van Houtte Café Bistros – perpetual franchising license
- Manchu Wok
- Wasabi Grill & Noodle
- Sense Asian
- Big Smoke Burger

2016

Kahala Brands Ltd

Cold Stone Creamery, Blimpie, Taco Time, Surf City Squeeze, The Great Steak & Potato Company, NrGize Lifestyle Café, Samurai Sam's Teriyaki Grill, Frullati Café & Bakery, Rollerz, Johnnie's New York Pizzeria, Ranch One, America's Taco Shop, Cereality, Tasti D-Lite, Planet Smoothie, Maui Wowi and Pinkberry

BF Acquisition Holdings, LLC

- Baja Fresh Mexican Grill
- La Salsa Fresh Mexican Grill
- La Dinerie

2017

- Steak Frites St-Paul
- Giorgio Ristorante
- The Works Gourmet Burger Bistro
- Houston Avenue Bar & Grill
- Industria Pizzeria & Bar
- Dagwoods Sandwiches and Salads
- The Counter Custom Burgers
- Built Custom Burgers

2018

Investor Restaurant Group

- Baton Rouge, Pizza Delight, Scores, Toujours Mikes and Ben & Florentine
- Grabbagreen
 - Timothy's World Coffee
 - Mmmuffins

2019

Papa Murphy's

- Casa Grecque
- South Street Burger
- Yuzu Sushi
- Allô! Mon Coco

Diversified Portfolio of Over 80 Brands

GRUPE
MTY
GROUP

Protects MTY from shifts in customer preferences

Asian & Indian



Frozen treats & smoothies



American



Sandwiches & Salads



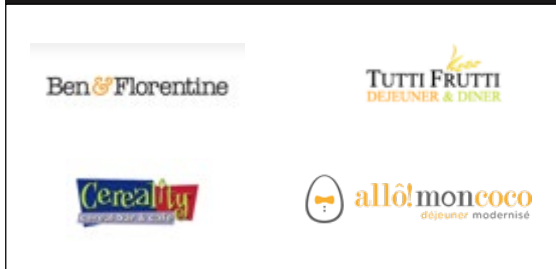
Mediterranean



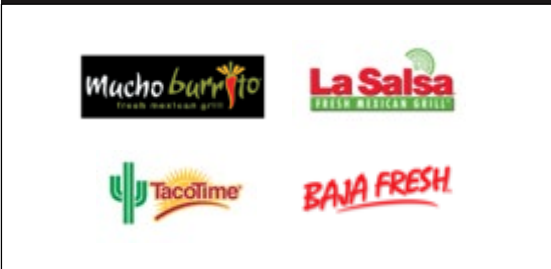
Italian



Breakfast



Mexican



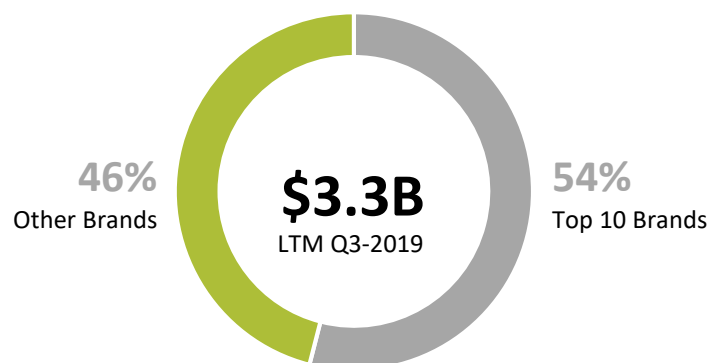
Coffee



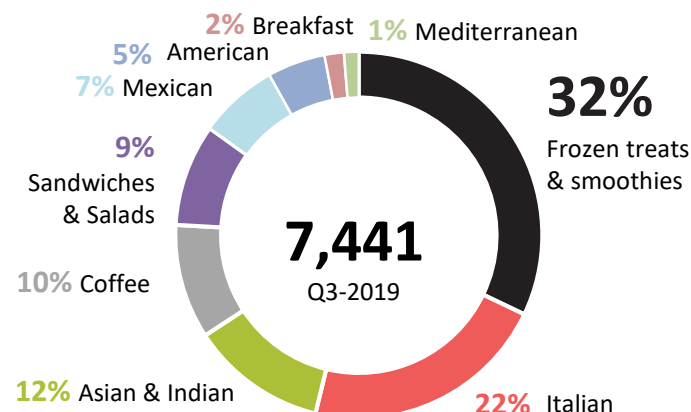
Strong Brands Make Up a Large Part of Portfolio

MTY ranks 21st among Canada's Top 100 foodservice operators⁽¹⁾

Top 10 brands represent
54% of Network Sales⁽²⁾



Frozen treats & smoothies represent
32% of locations



(1) Source: Foodservice and Hospitality, The Annual Top 100 Report, May 2018

(2) This is a non-IFRS measure. Please refer to page 3 of this presentation.

Stock Price Appreciation Since Listed on TSX



Management and the Board own 22% of shares



Source: Yahoo Finance. Transactions on the TSX only.

Knowledgeable and Committed Management Team



Eric Lefebvre
Chief Executive Officer



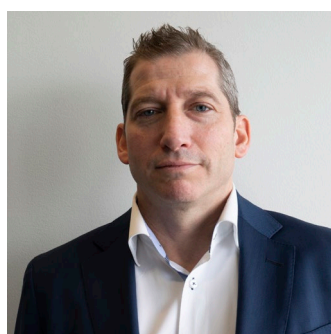
Renée St-Onge
Chief Financial Officer



Jason Brading
COO Quick Service
Restaurants



Marie Line Beauchamps
COO Casual Dining
Restaurants



Marc Benzacar
COO Fast Casual
Restaurants



Jeff Smith
COO US Market

MARKET OVERVIEW



General Market Conditions



Current environment is highly competitive in terms of value and innovation



Pressure caused by minimum wage increases on margins and prices



Significant consolidation is taking place both in the U.S. and in Canada



Delivery and meal kits are causing a shift in market

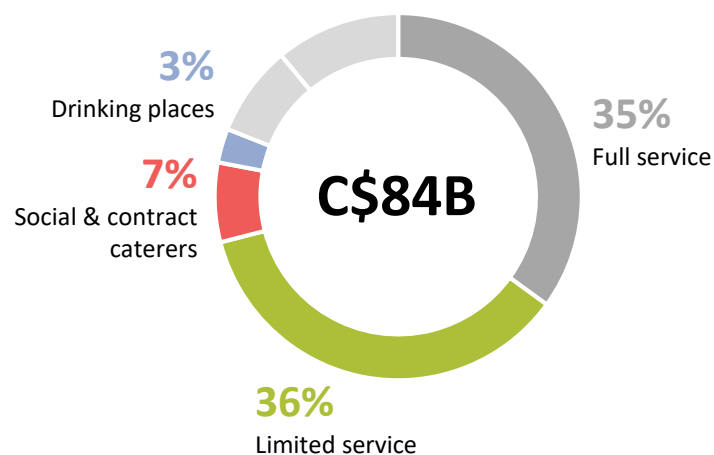


Loyalty programs integration to be part of the experience

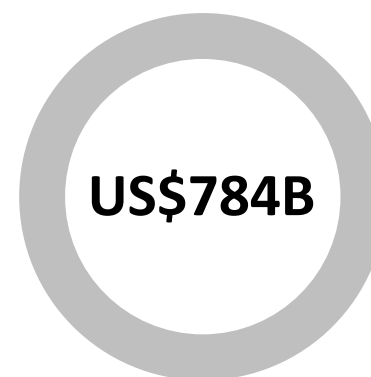
Market Size by Foodservice Sales

MTY has less than 1% market share in North America

Foodservice Sales in Canada



Food & Drink Sales in the U.S.



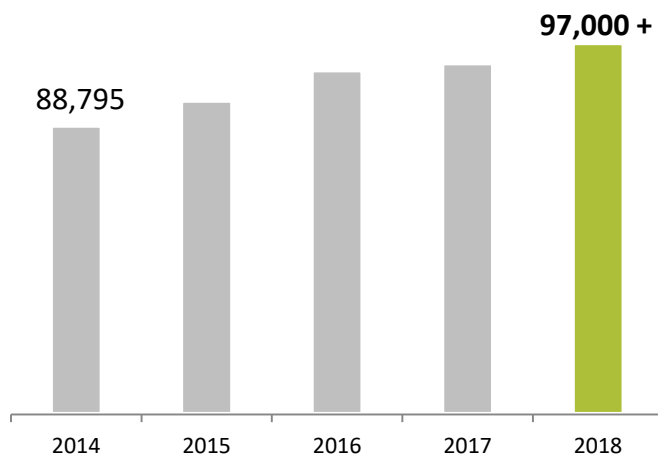
Sources: 2017 Canadian Institutional Foodservice Market Report, April 2017; Technomics foodservice state of the industry, January 2019

Market Size by Number of Restaurants

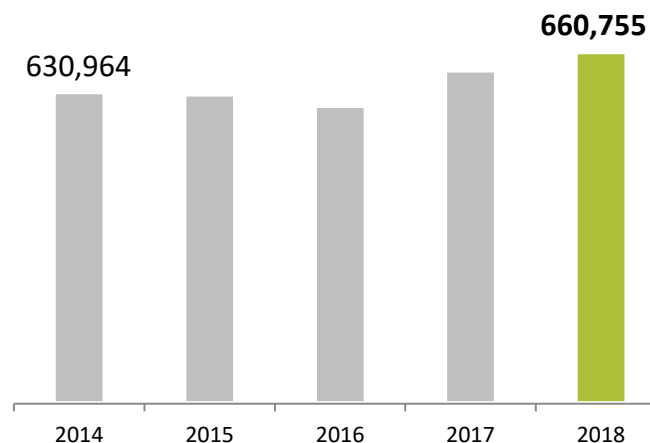


Number of restaurants constantly growing

Commercial Foodservice Units (Canada)



Establishments in U.S. Fast Food Industry



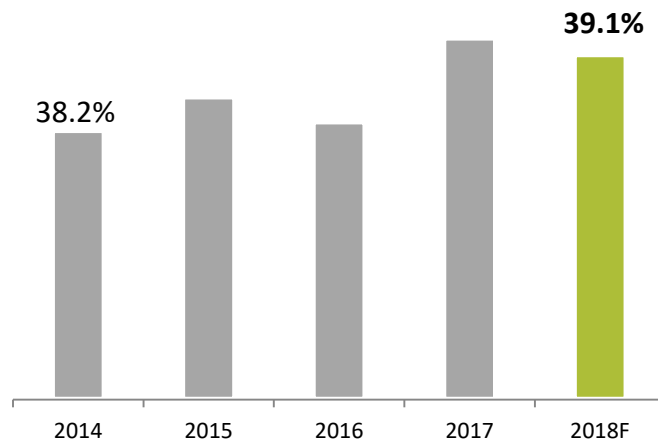
Sources: Restaurants Canada, Industry Key Facts; <https://www.statista.com/statistics/244616/number-of-qsr-fsr-chain-independent-restaurants-in-the-us/>

Market Size by Food Dollars Spent in Restaurants

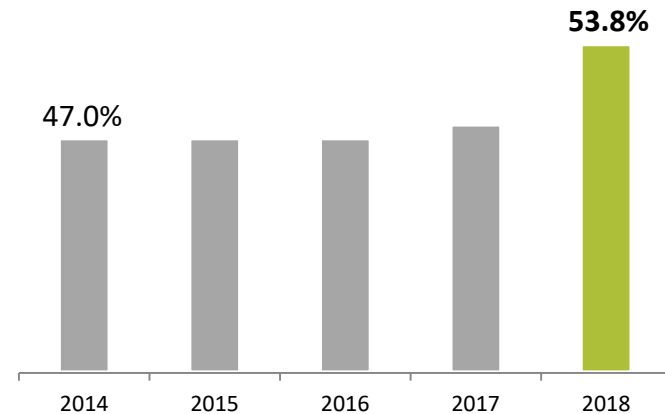


Proportion of food dollars spent in restaurants on the rise in Canada but still way below that of the U.S.

% Spent of food \$ (Canada)



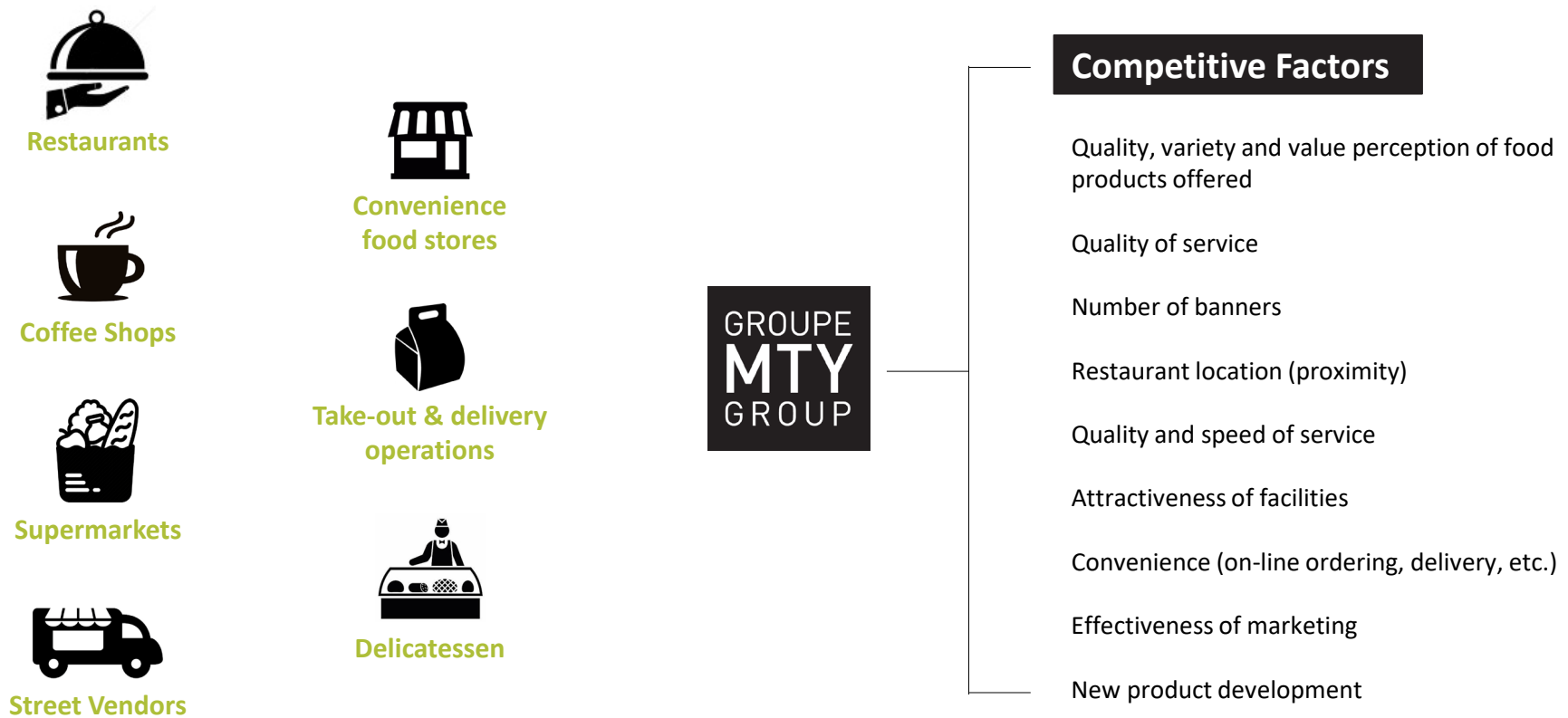
% Spent of food \$ (U.S.)



Sources: Restaurants Canada, Foodservice Industry Forecast 2018-2022; Restaurants Canada, Foodservice Facts, Market Review and Forecast; United States Department of Agriculture: <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-prices-and-spending>

Highly Competitive Industry with Low Barriers to Entry

MTY Competes with a variety of players in each of its local markets



MTY Key Success Factors

GROUPE
MTY
GROUP

MTY Effectively Responds to Consumer Needs



GROUPE
MTY
GROUP



MTY Competitive Advantages

Preparation often in front of customers enhances perception of freshness and quality

Presence in shopping malls, on main arteries, office towers, etc.

80 banners, often with multiple banners in one given location to capture customers' food dollars

Decentralized approach to innovation provides a wide array of novelties

Affordable meals usually around \$10

Bonapp for technology-driven consumers

New dedicated team to develop and promote retail and production operations

STRATEGY & FUTURE GROWTH



Growth Strategy – Increasing Market Share



LEVERAGING

our solid platforms to expand throughout North America

FOCUSING

on high-quality of revenues that are recurring in nature

IMPROVING

MTY's digital presence via new applications, on-line functionalities and integration of our gift card and loyalty platforms



DEVELOPPING

our Canadian brands in the U.S.

SEEKING

international Master franchise opportunities

UPGRADING

the image of our concepts and innovating with new menu offerings

Growth Strategy – Acquisitions

REINFORCING

Canadian platform by regions

LEVERAGING

our U.S. platform to integrate acquisitions

PROVIDING

additional depth and breadth in offering

PAYING FAIR PRICE

for good quality earning potential

ACCESSING

a wide range of target sizes and concept maturity

TRANSACTIONS

Immediately accretive from an EBITDA⁽¹⁾ standpoint



Strong reputation for
paying a 'fair' price



Experienced
integration team



Vendor's awareness
of MTY's appetite



Increased capabilities
given increased size of
the organization

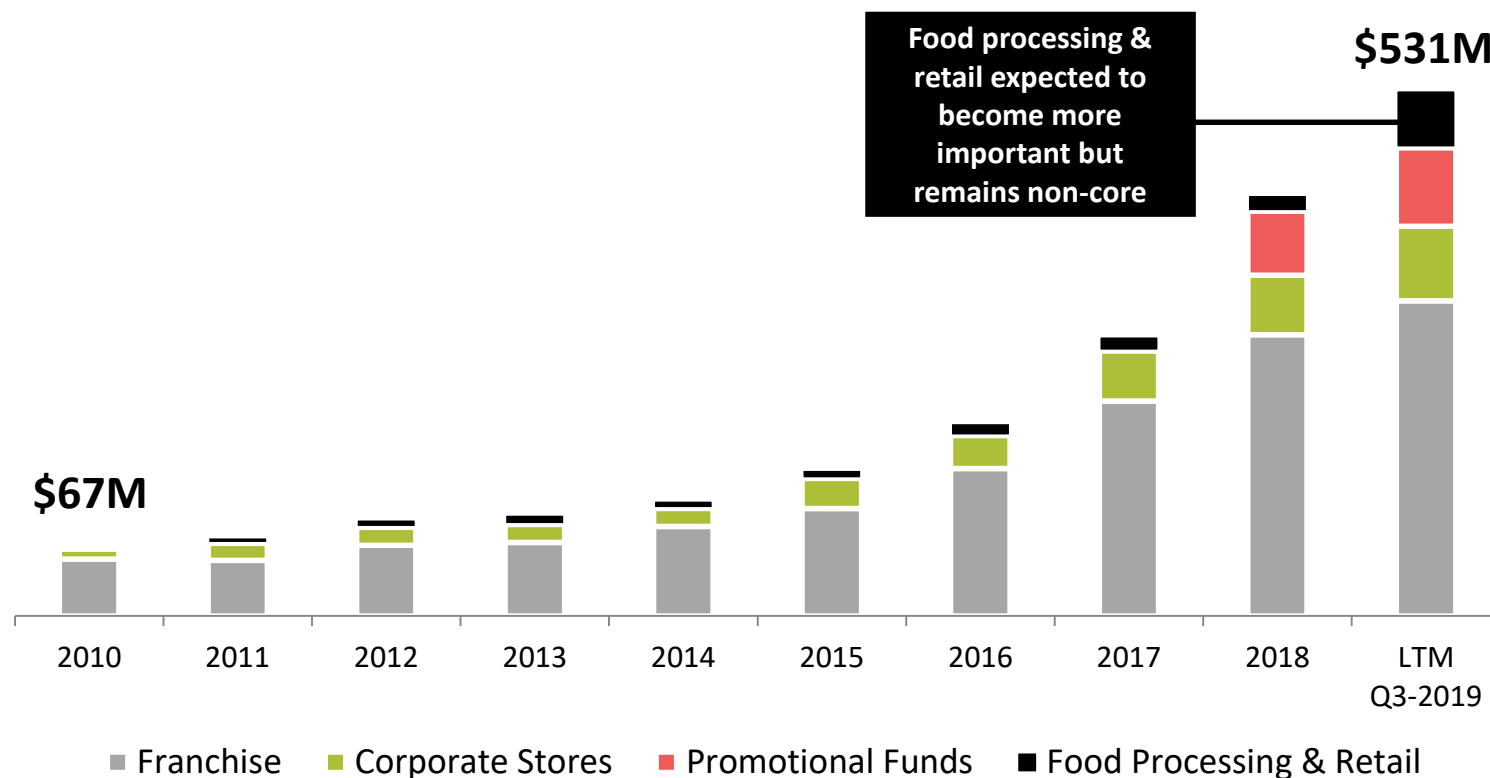
(1) This is a non-IFRS measure. Please refer to page 3 of this presentation.

FINANCIAL TRENDS



Diversifying Product Mix

Consistent growth in revenue in our core franchising operations



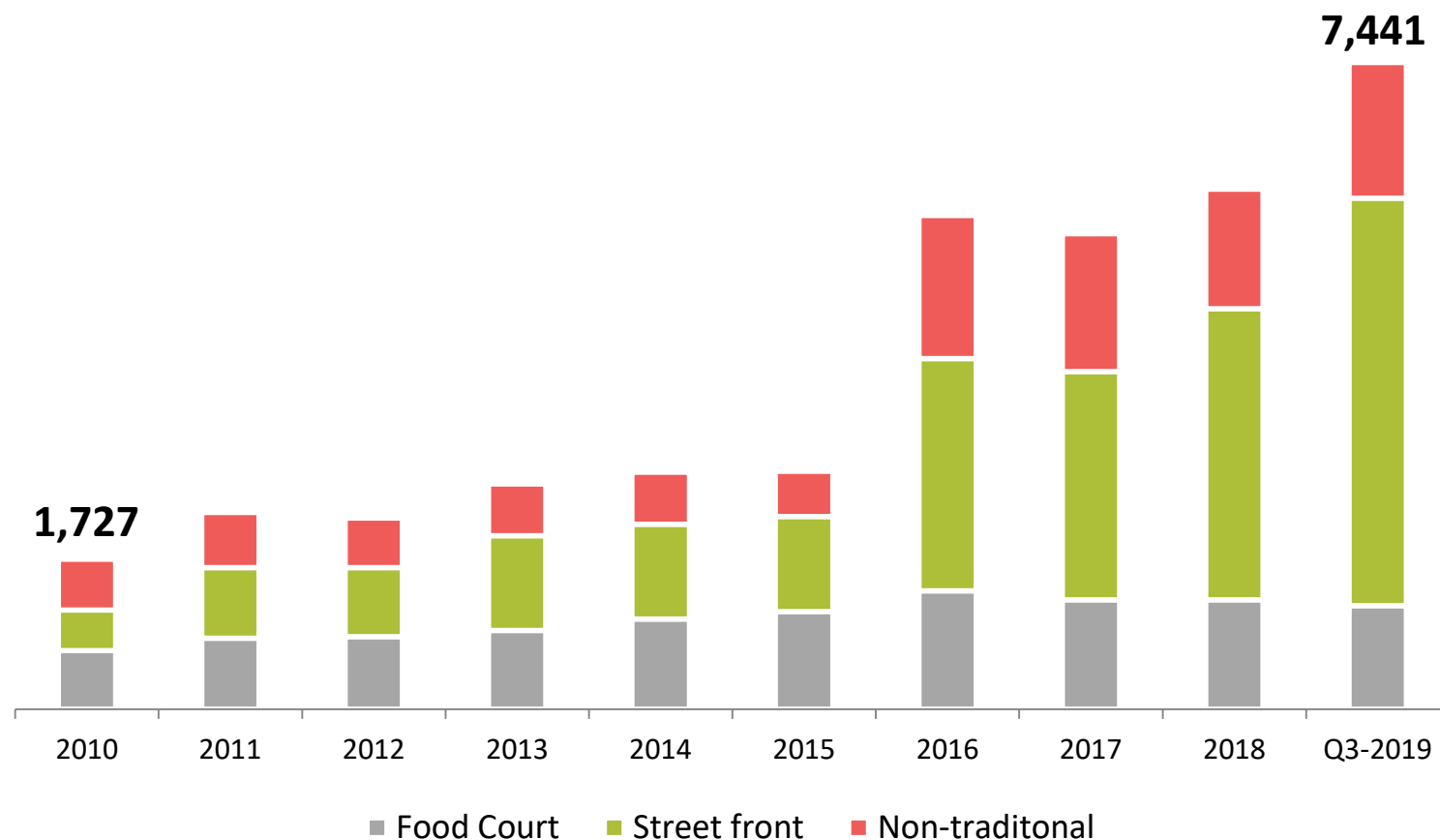
Note: Total revenues include interco.

* 2018 figures have been restated to reflect the adoption of IFRS 15.

Growing Street Front & Non-Traditional Locations



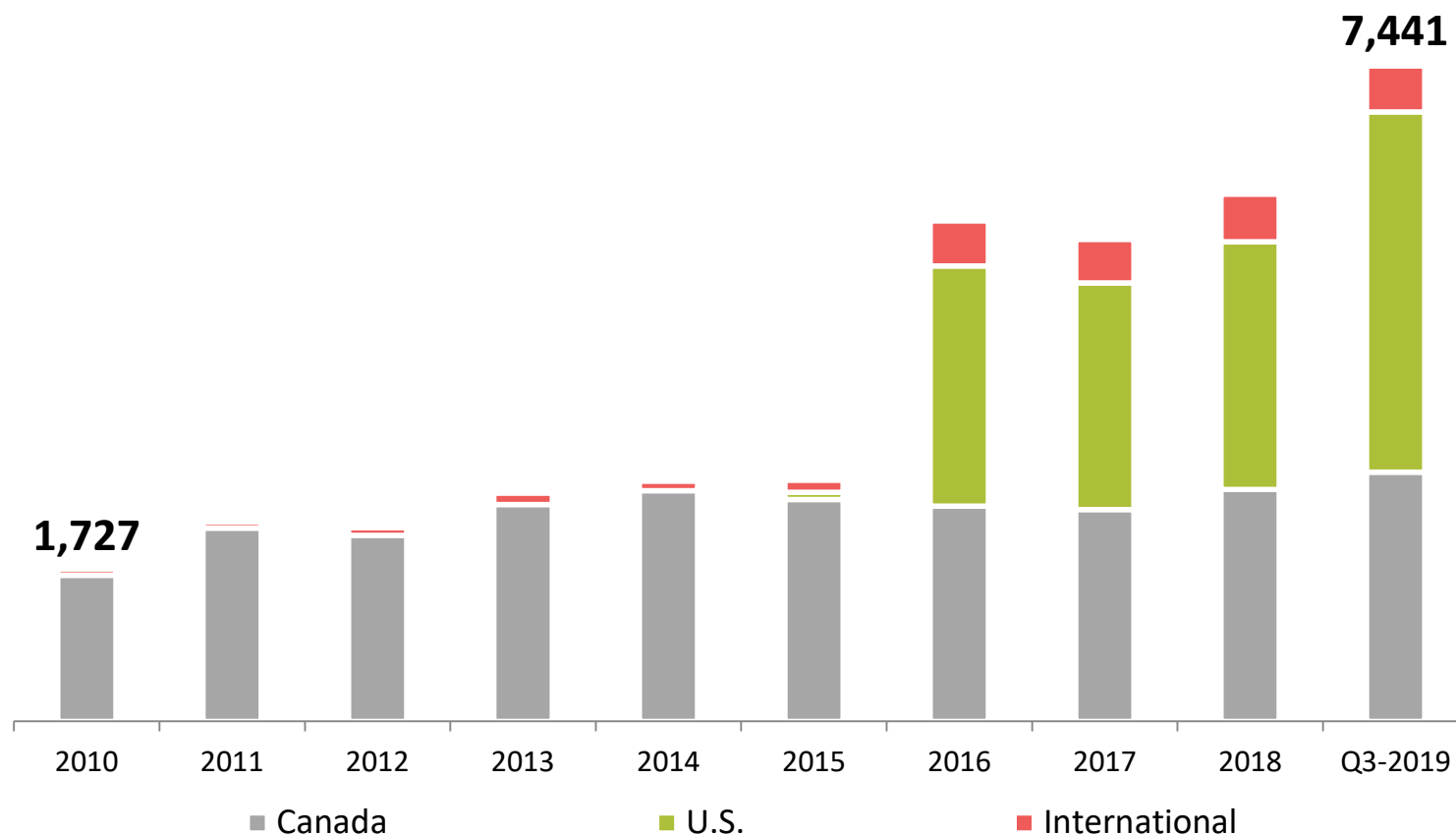
Food courts not prone to grow, reflecting shopping center limited growth



Continuing to Penetrate the U.S. Market

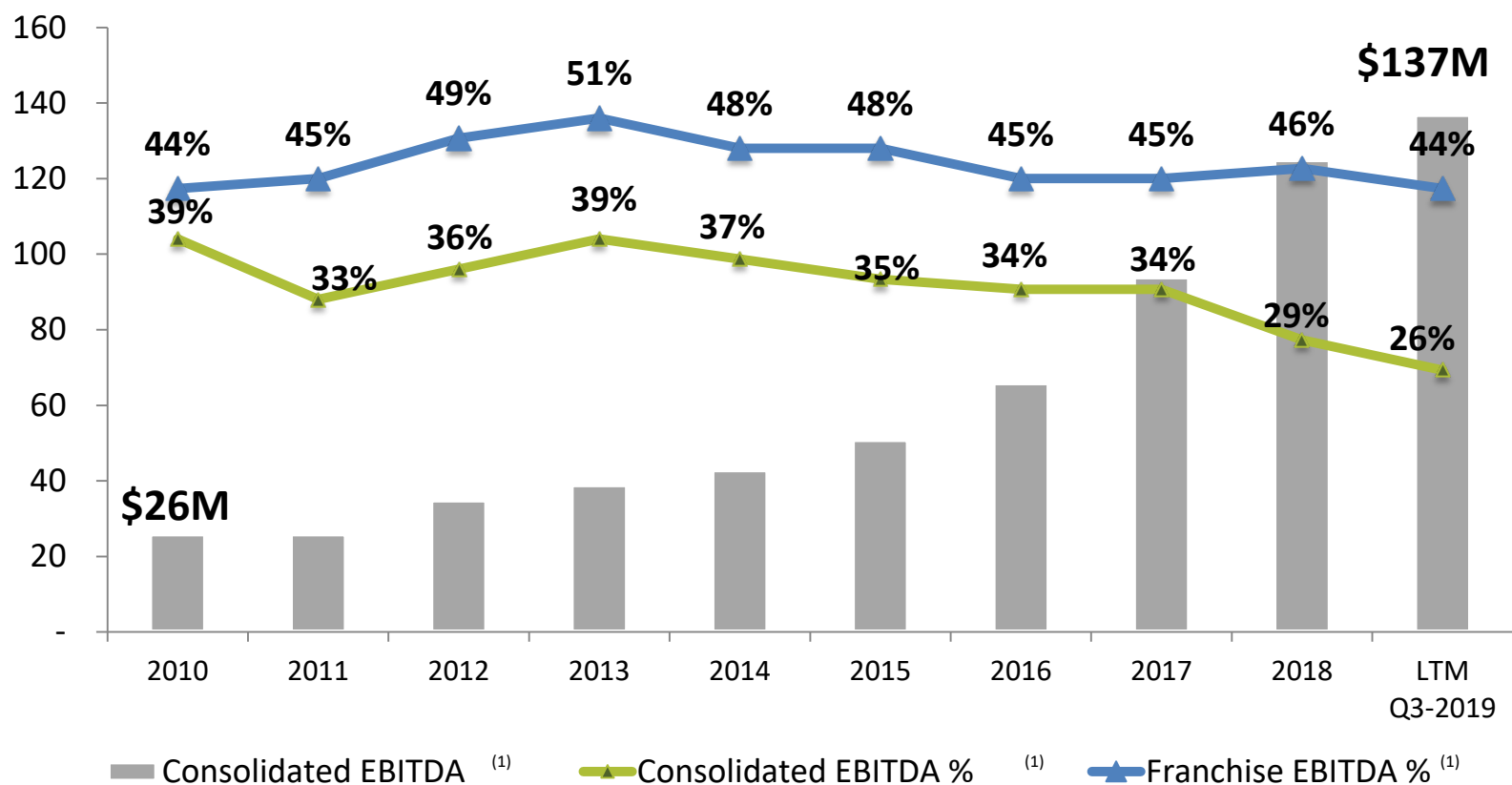


Over 50% of locations are in the U.S. following Papa Murphy's acquisition



Growing EBITDA⁽¹⁾ Consistently

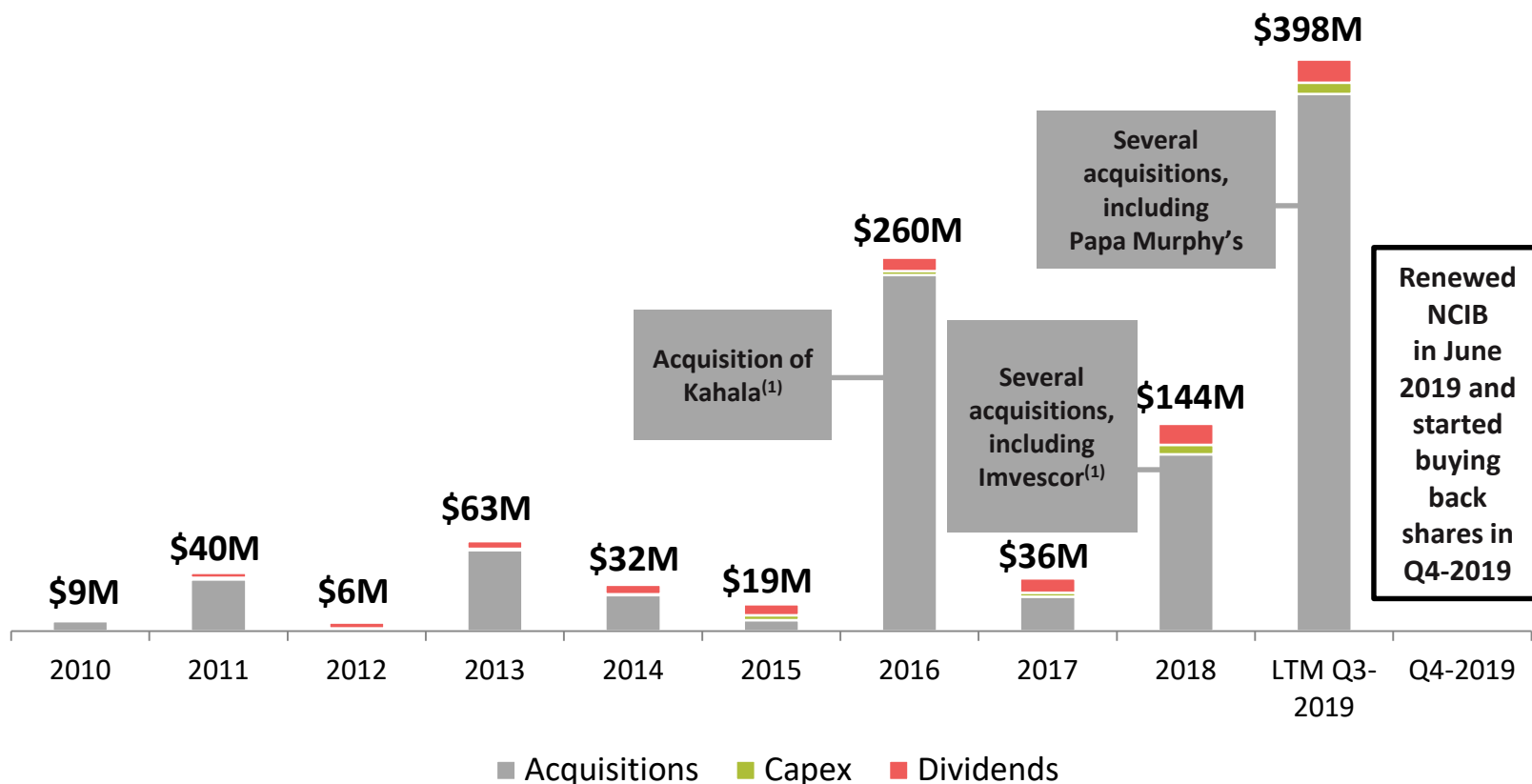
EBITDA⁽¹⁾ is primarily driven by the franchising segment



(1) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.
 * 2018 figures have been restated to reflect the adoption of IFRS 15.

Deploying Capital Mainly for Acquisitions

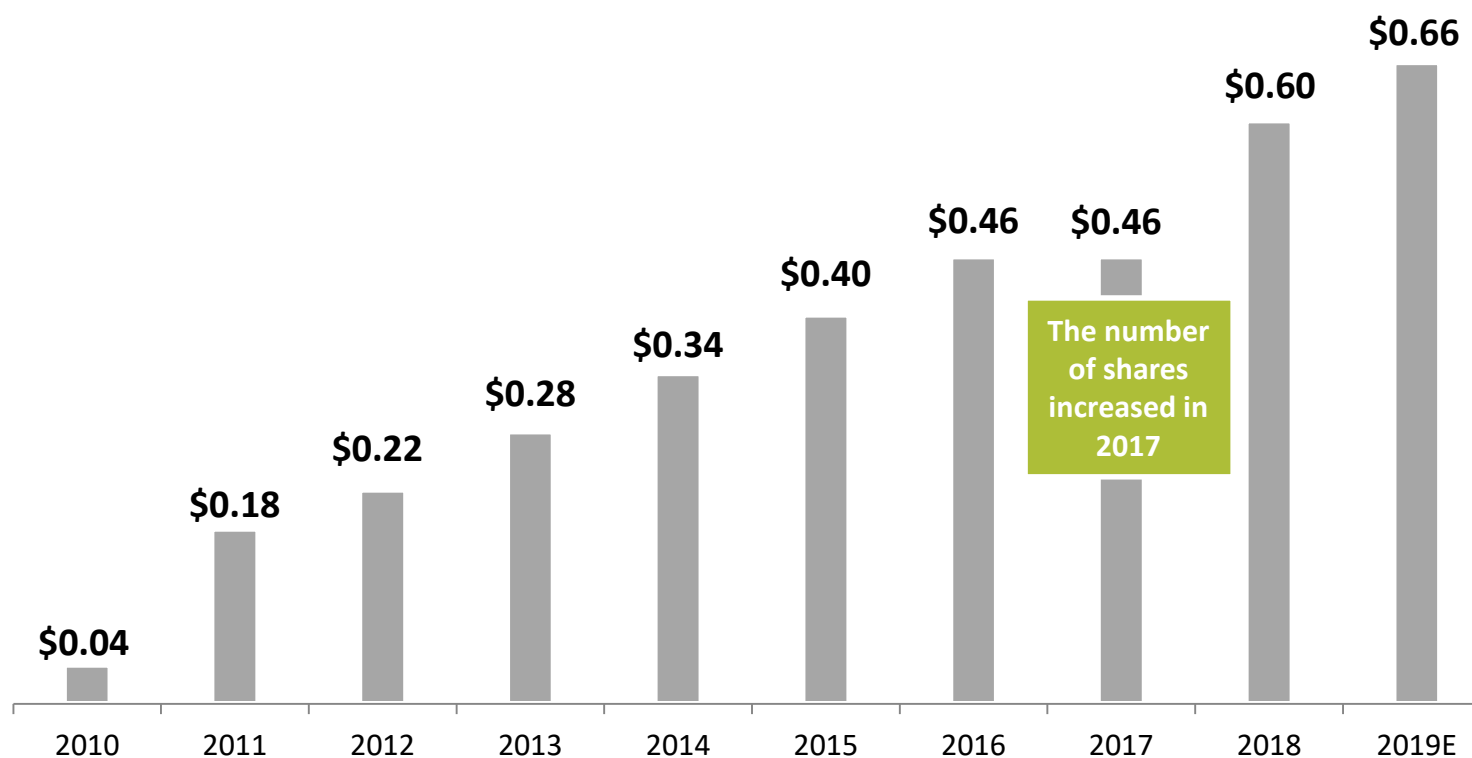
Not a capital intensive business



(1) Net cash outflow only.

Increasing Dividends Consistently

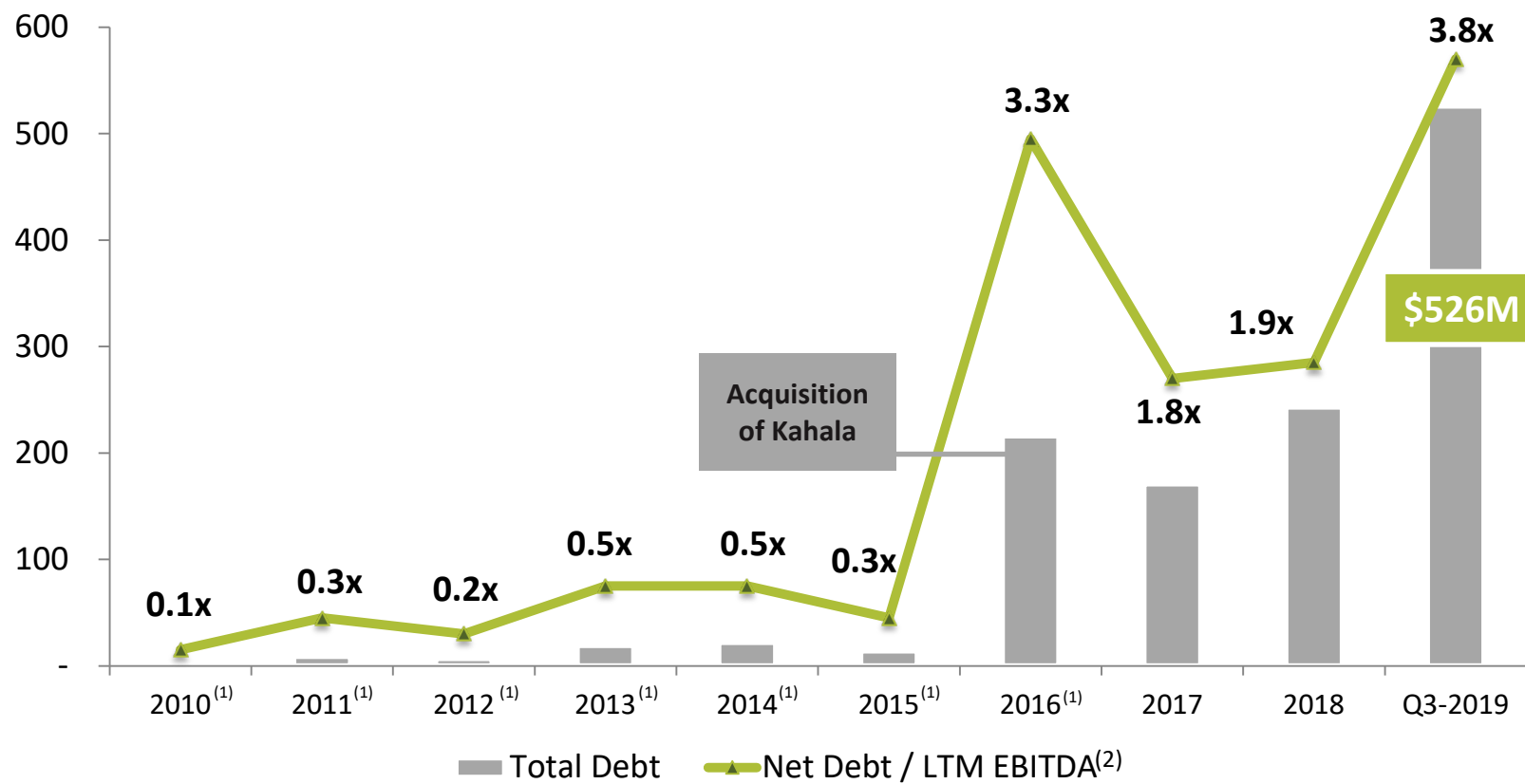
Dividend typically represents 15-20% of FCF⁽¹⁾



(1) FCF is EBITDA less taxes and interest. EBITDA is a non-IFRS financial measure. Please refer to page 3 of this presentation.

Optimizing Financing Structure

Maintaining a solid balance sheet



(1) On a total debt basis.

(2) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

* 2018 figures have been restated to reflect the adoption of IFRS 15.








Q3 2019 RESULTS



Seasonality of MTY Results



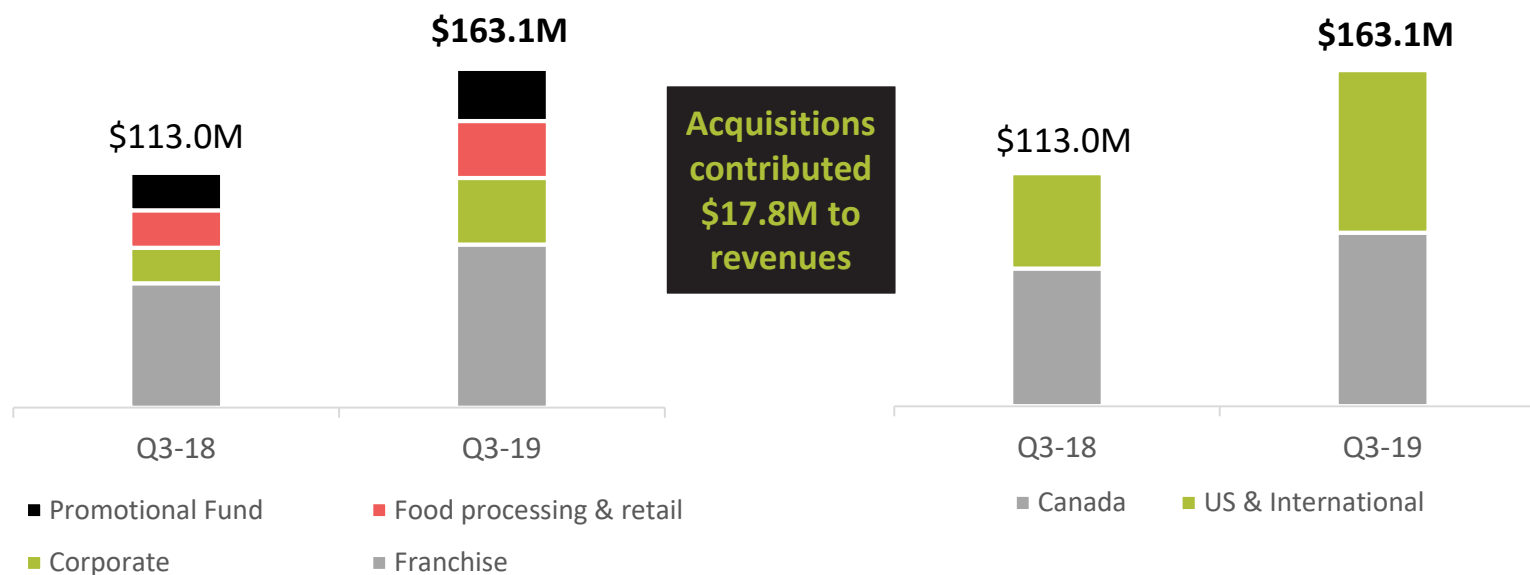
Network sales⁽¹⁾ fluctuate with the seasons

	Q1 Dec-Jan-Feb	Q2 March-Apr-May	Q3 June-July-Aug	Q4 Sept-Oct-Nov
	Winter	Spring	Summer	Fall
Sales for Frozen treats & smoothies	SOFT	STRONG	STRONGEST	SOFT
Sales for Papa Murphy's	STRONG	STRONG	SOFT	STRONGEST
	<p>Food court sales are higher during December because of Holiday shopping</p> 	 	<p>Higher street front sales</p> <p>Higher sales from food courts</p> 	<p>Halloween is the biggest sales day for Papa Murphy's</p> 

(1) This is a non-IFRS measure. Please refer to page 3 of this presentation.

Q3-19 Increasing Revenues

Revenues increased mainly driven by the Papa Murphy's acquisition

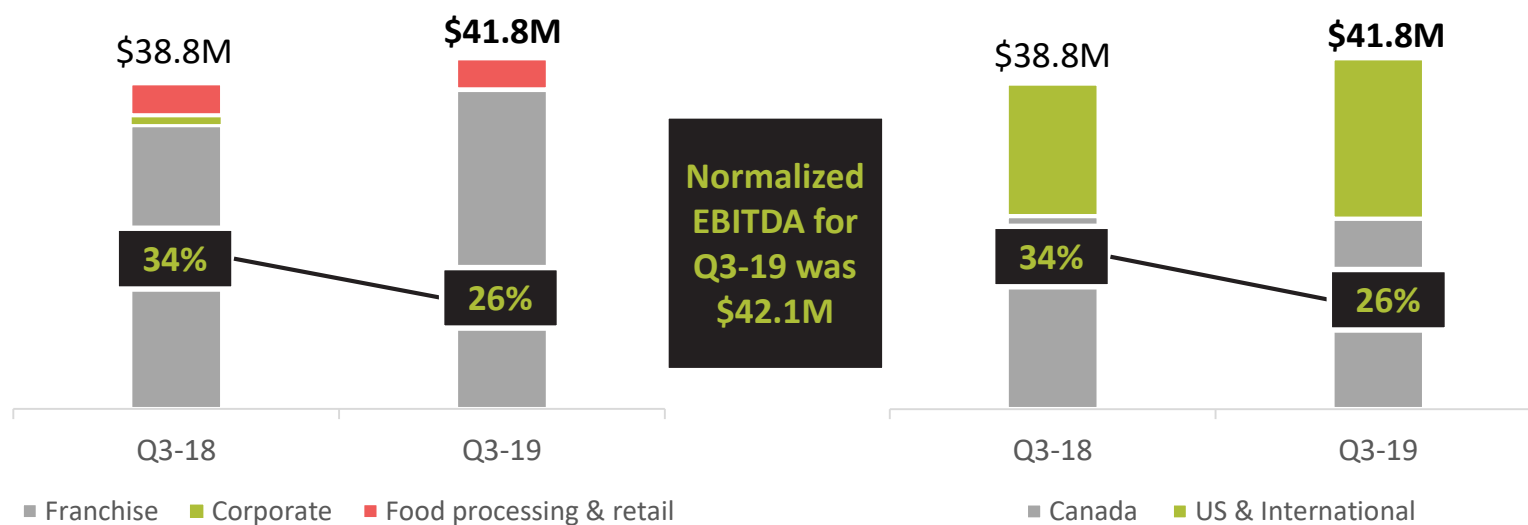


Note: Revenues include interco.

* Q3-2018 figures have been restated to reflect the adoption of IFRS 15.

Q3-19 Increasing EBITDA⁽¹⁾

The third quarter is the softest quarter for Papa Murphy's, representing ~13% of its total EBITDA generation for the year



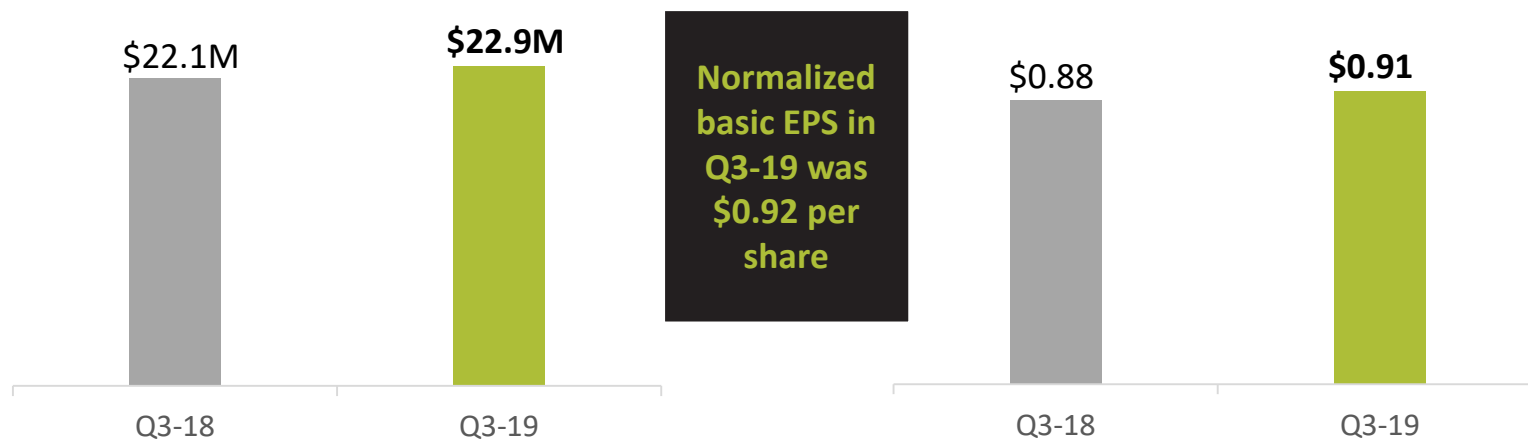
(1) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

* Q3-2018 figures have been restated to reflect the adoption of IFRS 15

Q3-19 Net income and EPS



Net income & EPS are slightly higher than last year due to the increase in EBITDA



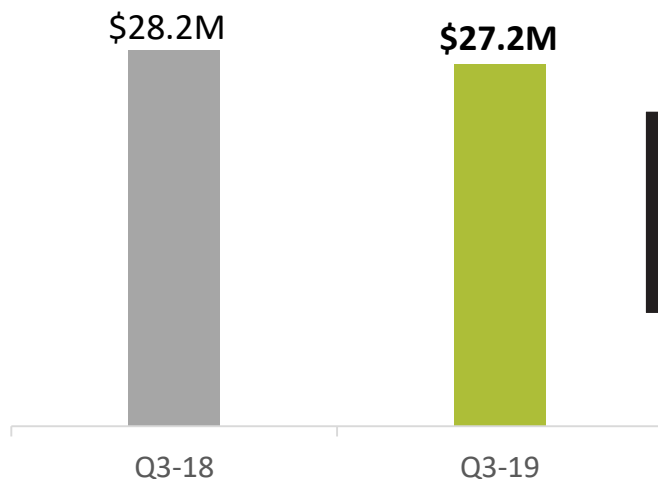
* Q3-2018 figures have been restated to reflect the adoption of IFRS 15.

Q3-19 Cash Flow from Operations & Use of Cash

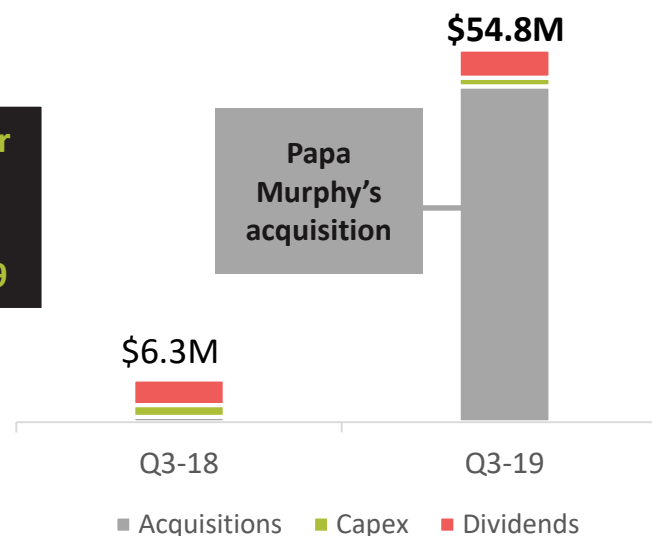


Higher interest payments due to the Papa Murphy's acquisition and higher income tax payments slightly reduced cash flow from operations

Cash Flow from Operations



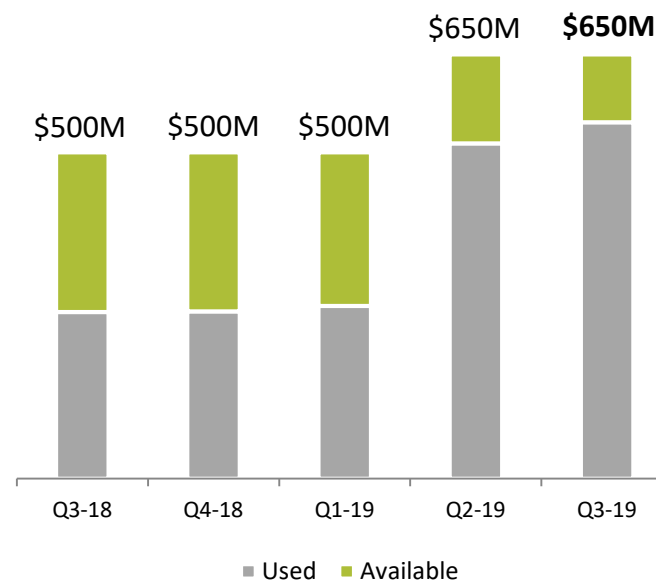
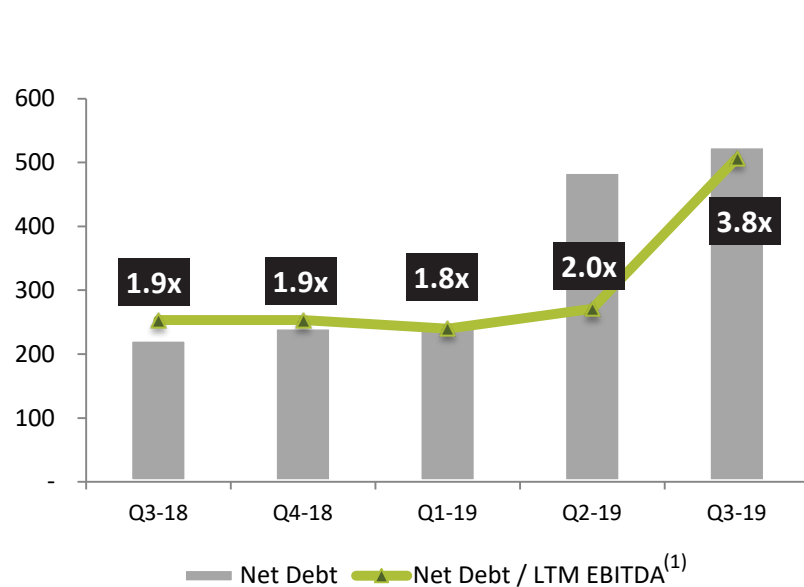
Use of Cash



* Q3-2018 figures have been restated to reflect the adoption of IFRS 15.

Q3-19 Healthy Financial Position

Leverage increased due to Papa Murphy's acquisition
After Q3-19 we raised the authorized limit on revolver to \$700M



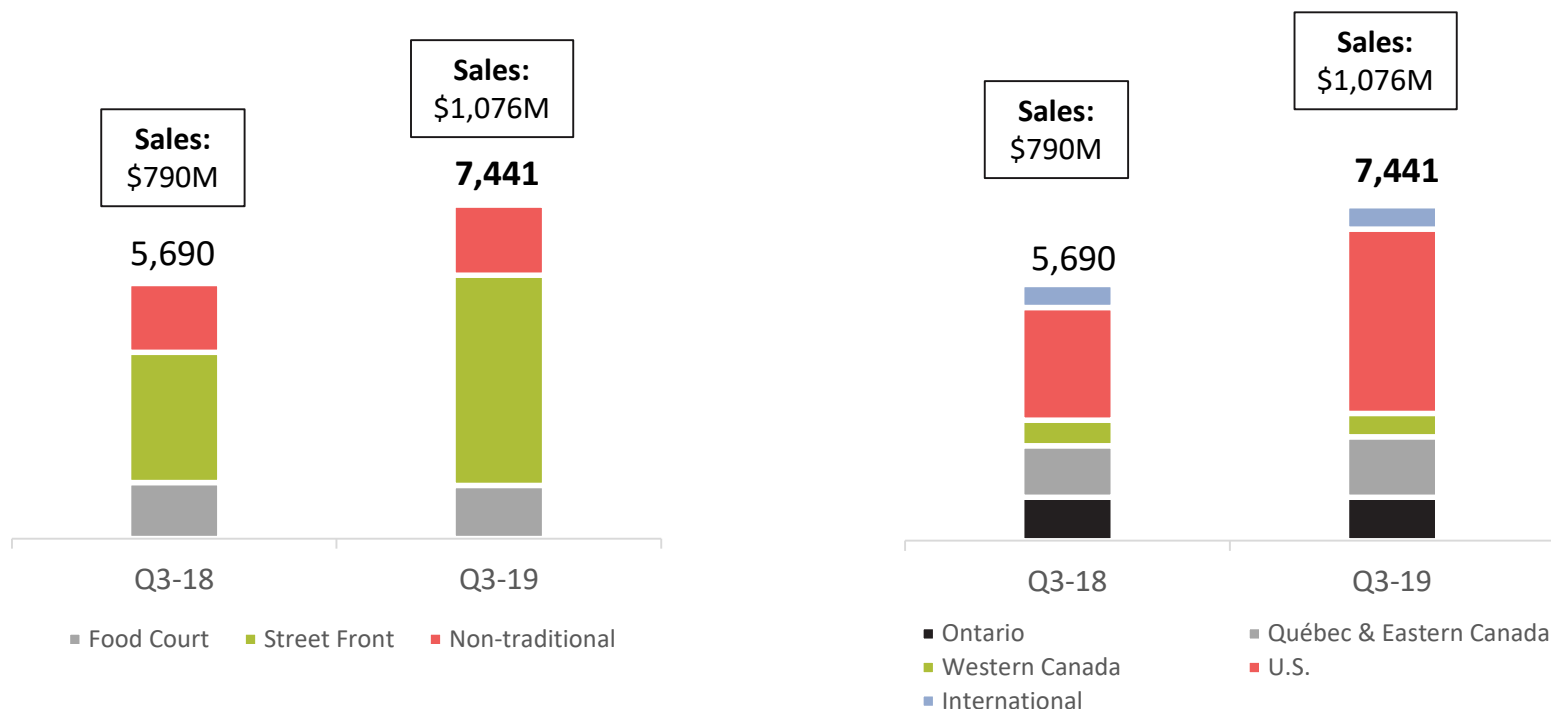
(1) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

* 2018 figures have been restated to reflect the adoption of IFRS 15.

Q3-19 Network Locations and Network Sales⁽¹⁾



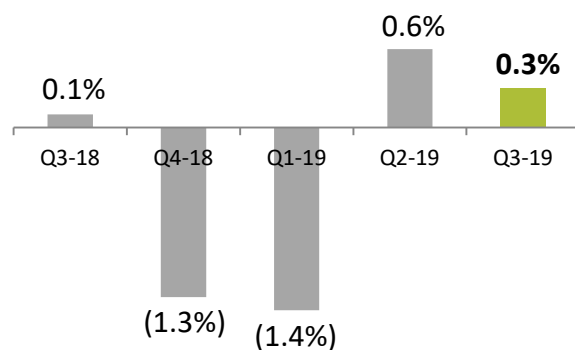
Network locations and Network sales⁽¹⁾ increased driven by acquisitions



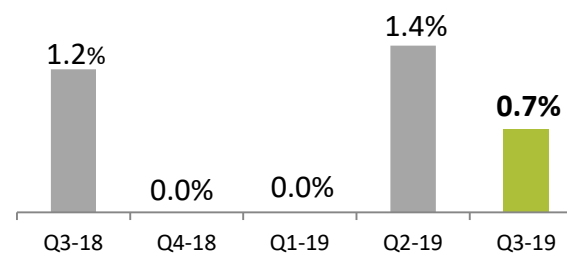
(1) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

Q3-19 Same Store Network Sales⁽¹⁾

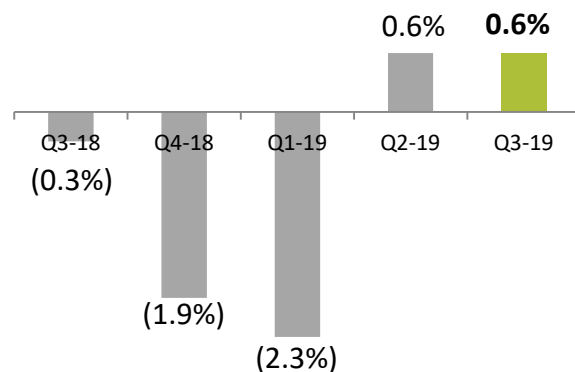
Consolidated



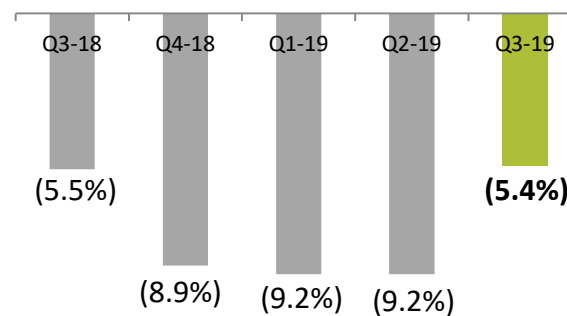
Canada



U.S.



International



(1) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

Q3-19 Network Location Evolution



Location closures represent on average 2% of total locations

	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19
Beginning of period	5,734	5,690	5,984	5,941	7,345
Opened	67	68	60	75	84
Closed	(111)	(105)	(134)	(115)	(157)
Acquired	-	331	31	1,444	169
End of period	5,690	5,984	5,941	7,345	7,441
Net	(44)	294	(43)	1,404	96

Closures as a % of number of locations	1.9%	1.8%	2.2%	1.9%	2.1%
--	------	------	------	------	------



APPENDIX 1

Historical Data



Income Statement - 5-Year Financial Summary



(thousands of \$, except margin and EPS)	2018	2017	2016	2015	2014
Sales	426,584	276,083	191,275	145,203	115,177
EBITDA ⁽¹⁾	124,851	93,726	65,841	50,682	42,659
<i>EBITDA margin %⁽¹⁾</i>	<i>29.3%</i>	<i>33.9%</i>	<i>34.4%</i>	<i>34.9%</i>	<i>37.0%</i>
Net income	96,187	49,854	54,867	26,223	25,185
EPS - diluted	3.95	2.32	2.73	1.36	1.32

(1) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

* 2018 figures have been restated to reflect the adoption of IFRS 15.

Financial Position - 5-Year Financial Summary



(thousands of \$, except ratio)	2018	2017	2016	2015	2014
Total assets	1,230,307	855,013	852,650	225,387	199,448
Total debt ⁽¹⁾	243,312	171,354	216,417	14,256	22,418
Shareholders' equity	629,391	333,624	310,184	166,654	144,590
Total debt to trailing 12-month EBITDA ^(1,2)	1.9x	1.8x	3.3x	0.3x	0.5x

(1) For 2016 to 2018, net debt and net debt to trailing 12-month EBITDA.

(2) This is a non-IFRS financial measure. Please refer to page 3 of this presentation.

* 2018 figures have been restated to reflect the adoption of IFRS 15.

Network - 5-Year Financial Summary



	2018	2017	2016	2015	2014
Network sales ⁽¹⁾ (millions of \$)	2,783	2,302	1,480	1,066	888
Locations	5,984	5,469	5,681	2,738	2,727

(1) This is a non-IFRS measure. Please refer to page 3 of this presentation.



APPENDIX 2

Papa Murphy's Acquisition



Papa Murphy's - An Exciting New Growth Platform



Papa Murphy's leading Take 'n' Bake pizza franchising concept offers a compelling strategic fit with MTY

TRANSACTION SUMMARY

- MTY Food Group Inc. ("MTY") and Papa Murphy's Holdings, Inc. ("Papa Murphy's") announced on April 11, 2019 that they have entered into a definitive merger agreement
- MTY to acquire all of the issued and outstanding shares of Papa Murphy's for US\$6.45 per share, representing total transaction value of ~US\$190.0 million (C\$253.2 million), including Papa Murphy's net debt outstanding
- Implied premium of 31.9% to the Papa Murphy's closing price on April 10, 2019
- Consideration 100% funded in cash from MTY cash on hand and existing credit facility
- Transaction unanimously approved by the boards of directors of both companies
- Certain Papa Murphy's shareholders, including each director and executive and officer, holding ~52.1% of Papa Murphy's shares, have agreed to tender their shares into the offer
- Transaction closed on May 23, 2019

PAPA MURPHY'S OVERVIEW



- Franchisor and operator of the largest Take 'n' Bake pizza brand and the 5th largest U.S. pizza chain
- 1,331 franchised and 106 corporate-owned stores in 37 U.S. states, Canada and UAE⁽¹⁾
- LTM System-wide Sales of US\$809 million⁽²⁾
- LTM adjusted EBITDA of US\$22.3 million⁽²⁾
- Support center will continue to be located in Vancouver, WA

All figures in CAD unless otherwise specified. Papa Murphy's figures converted at a USDCAD FX rate of 1.3326

(1) As of December 31, 2018

(2) LTM represents the twelve-month period ending December 31, 2018

Rationale for the Transaction



MTY's pro forma network to have ~7,378 locations and \$4B system sales globally with future runway for growth

- Strengthens MTY's leading portfolio of brands through the acquisition of the 5th largest pizza chain in the U.S.
- Leading Take 'n' Bake pizza concept serving award-winning, superior quality products made with fresh ingredients
- Complements MTY's U.S. operations and reduces seasonality of its results
- Building momentum after implementation of refreshed corporate strategy and refocus on the brand
- Seasoned management team to continue to operate the brand independently
- Expected to be immediately accretive to MTY's EBITDA and cash flow per share

Fresh, Hand-Crafted, Ready-to-Bake Pizzas



**Unique concept driven by same core values as MTY:
great quality of food, great service and great value**

Pioneer Concept and Leader in a Growing Pizza Category



Differentiated Market Position

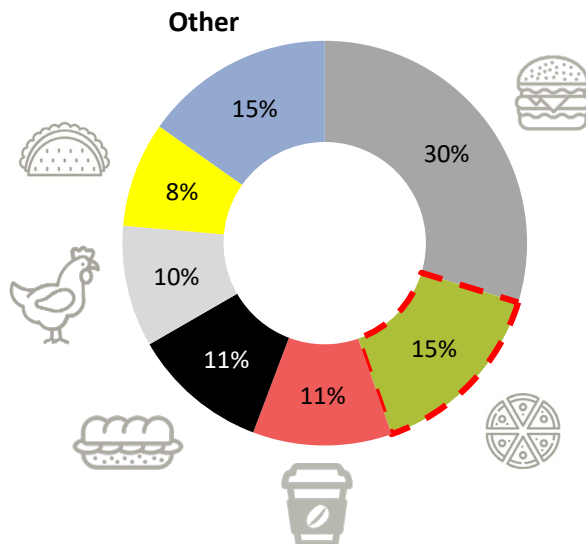
- Leading Take 'n' Bake pizza concept serving award-winning, superior quality products made with fresh ingredients
- #5 largest pizza chain in the U.S.
- Awarded best pizza chain for several years by multiple industry sources⁽¹⁾
- Offers a differentiated, customizable experience capitalizing on “dine-in” trends
- Positive momentum from new digital ordering platform launched and other recent initiatives

(1) Papa Murphy's has received over 60 awards from major industry sources since 2001 including from Zagat, Market Force Information, Technomic Inc. and Consumer Reports

Overview of the U.S. Pizza Market

Pizza market is attractive due to its size, growth and fragmented competitive landscape

Pizza is the 2nd largest category in US\$280B+
U.S. Limited Service Restaurant Sales



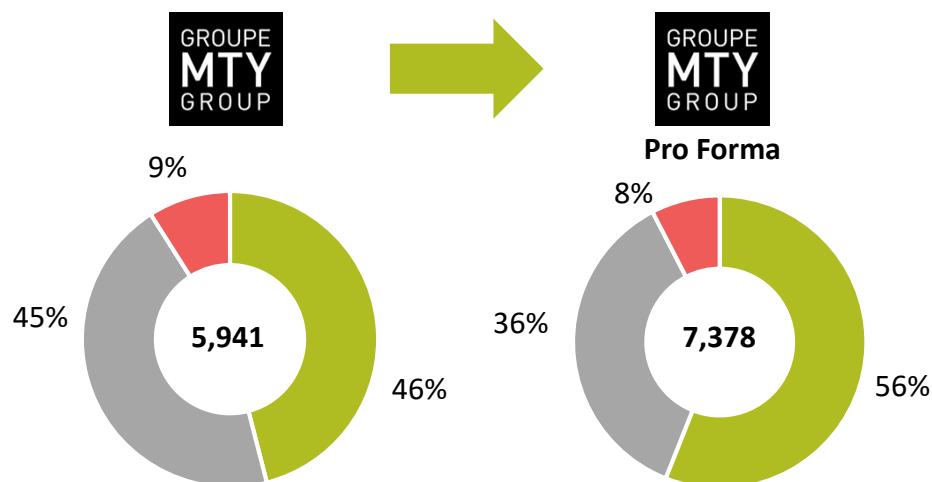
- Favorable consumer trends:
 - Dining in more
 - Increasingly cooking meals at home
 - Heavily focused on quality and fresh ingredients
- U.S. pizza market estimated at US\$42B and growing:
 - **3.7%** sales growth
 - **1.3%** unit growth
- Highly fragmented competitive landscape
 - Top 5 pizza chains account for <50% of market

Bolstering MTY's U.S. Platform



Papa Murphy's footprint complementary to MTY's U.S. operations and reduces impact of seasonality

Locations



LTM U.S. System Sales

\$1.2B

\$2.3B



Transaction Contribution to MTY's U.S. Network

- + 1,400 new U.S. locations to MTY's 2,733 existing U.S. network
- + \$1.1B of incremental SWS to MTY's existing \$1.2B U.S. LTM SWS

Legend:



United States



Canada






International

Solid Combined Financials



Expected to be immediately accretive to MTY's EBITDA and cash flow per share

- Following completion of the transaction, MTY is expected to continue to generate significant cash flow, allowing for deleveraging and providing liquidity to pursue future M&A opportunities
- MTY also anticipates working with Papa Murphy's to make capital investments focused on growing top line sales and increasing franchise partner profitability

	 As of Feb. 28, 2019	 As of Dec. 31, 2018	 Pro Forma
LTM System Sales	\$2.9B	\$1.1B	\$4.0B
# of Locations	5,941	1,437	7,378
% of Network Franchised	99%	93%	97%
LTM Revenue	\$445M	\$169M	\$614M
LTM EBITDA	\$134M	\$30M	\$164M
Net Debt / LTM EBITDA	1.9x	3.4x	3.1x

All figures in CAD unless otherwise specified. Papa Murphy's figures converted at a USDCAD FX rate of 1.3326.



MTYGROUP.COM

