



GROUPE
MTY
GROUP



**EXCELLENCE.
DEDICATION.
INNOVATION.**

**INVESTOR
PRESENTATION**



APRIL 2022

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-GAAP 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 non-GAAP measures, non-GAAP ratios and supplementary financial measures as described below.

The Company believes that non-GAAP measures, non-GAAP ratios and supplemental financial measures are useful because they are consistent with the indicators management uses internally to measure the Company’s performance, to prepare operating budgets and to determine components of executive compensation. 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 indicators 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. Management believe that certain investors and analysts use some of these indicators to measure a company’s ability to meet payment obligations or as a common measurement to value companies in the industry.

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).

NON-GAAP MEASURES

Adjusted EBITDA - net income (loss), excluding income tax, all other income (expenses), interest, depreciation and amortization, and net impairment charges)

Free cash flows - sum total cash flows from operating activities less capital expenditures net of disposals

NON-GAAP RATIOS

Free cash flows per diluted share - free cash flows divided by diluted shares

SUPPLEMENTARY FINANCIAL MEASURES

System sales - sales of all existing restaurants including those that have closed or have opened during the period, as well as the sales of new concepts acquired from the closing date of the transaction and forward

Digital sales (sales made by customers through online ordering platforms

Adoption of IFRS 16, Leases



Effective December 1, 2019, the Company implemented IFRS 16, Leases, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard. Please refer to the section Changes in accounting policies in the Management's Discussion and Analysis for further details.

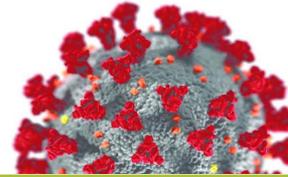
Agenda



INVESTMENT
THESIS



OVERVIEW OF
MTY GROUP



UPDATE ON
COVID-19



MARKET
OVERVIEW



STRATEGY AND
FUTURE GROWTH



FINANCIAL
TRENDS



Q1-2022
RESULTS



APPENDIX
(Historical Data)



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





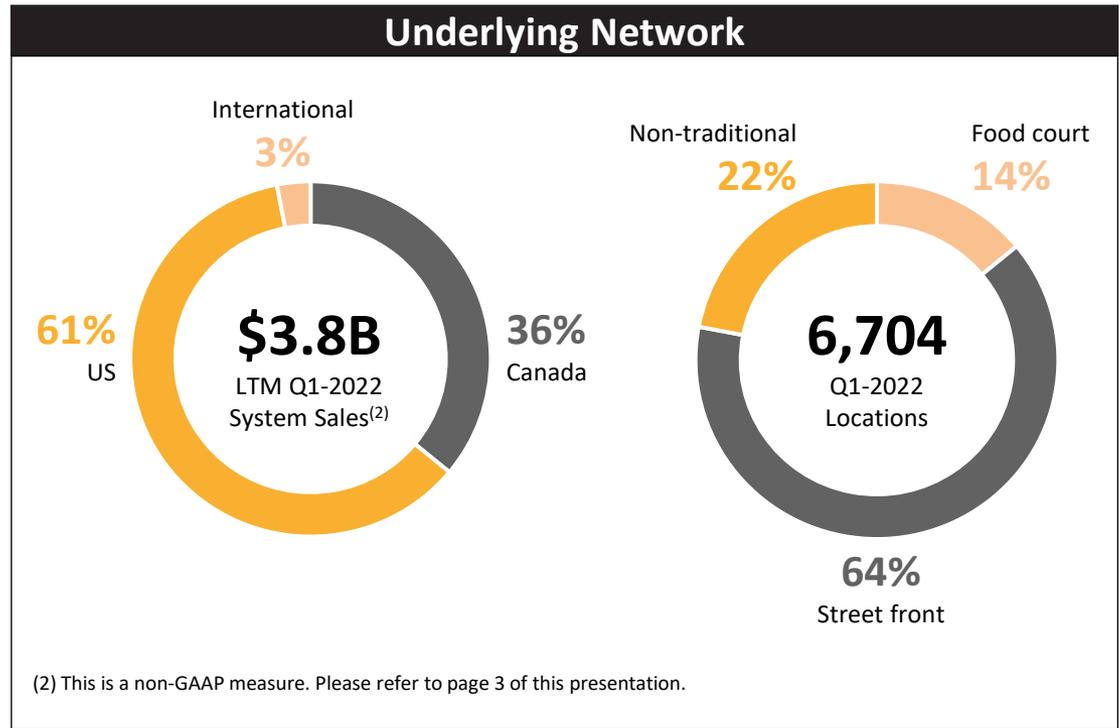
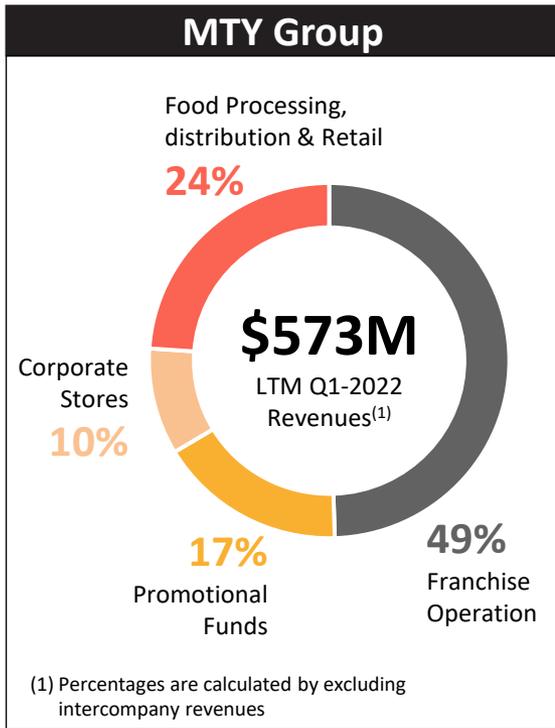
Overview of MTY Group



MTY Group at a Glance



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



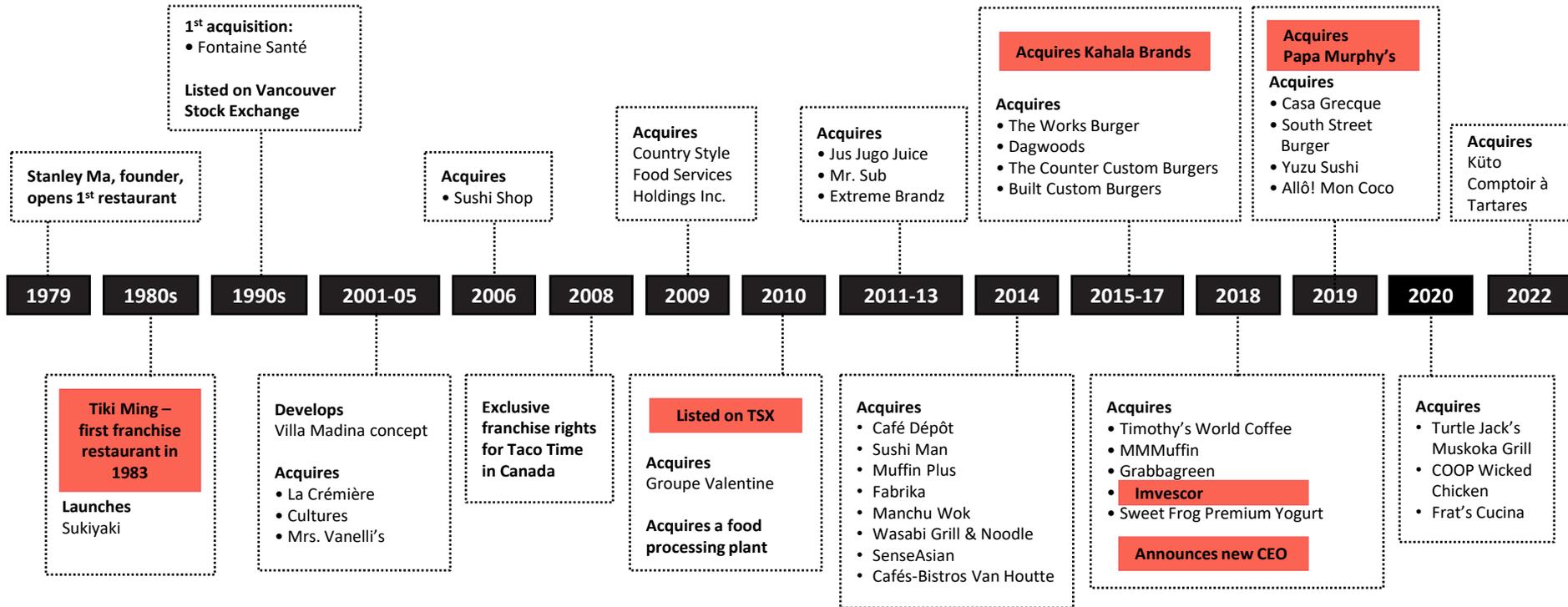
Ticker **MTY**

Market Cap. **\$1.4B**

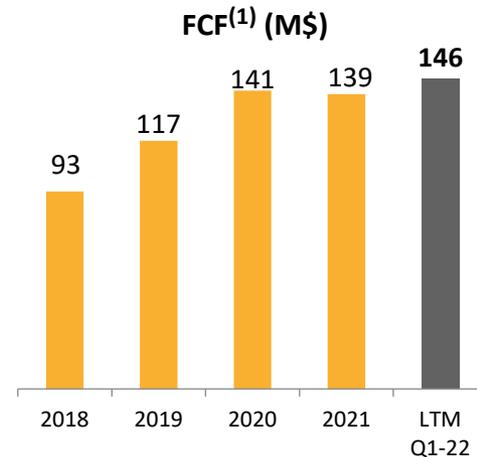
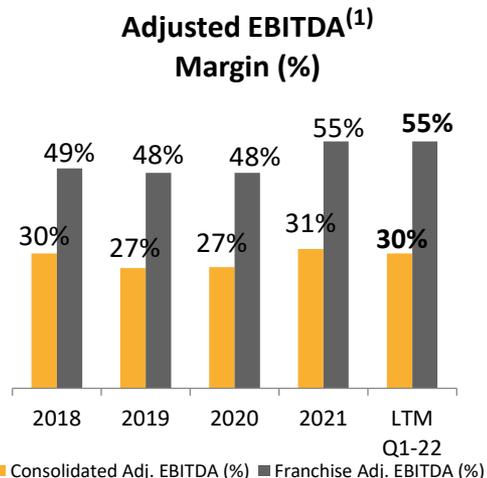
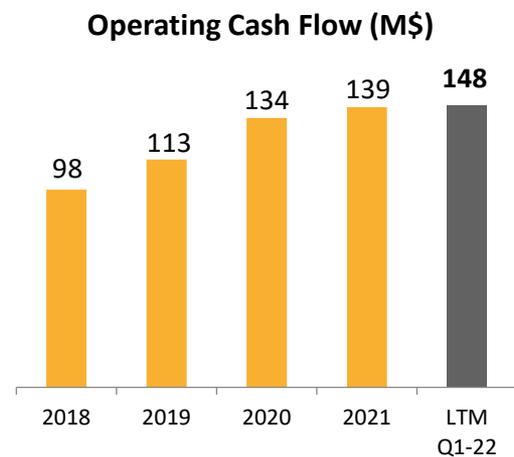
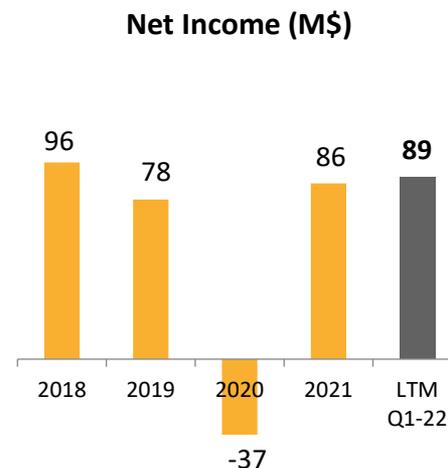
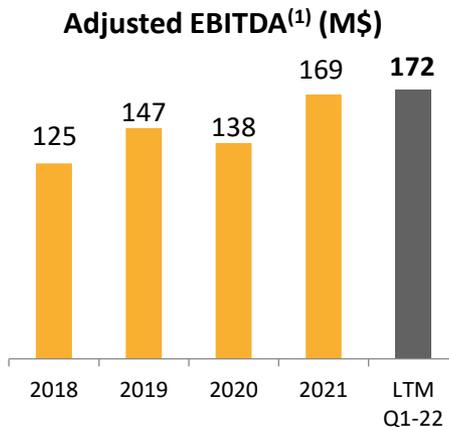
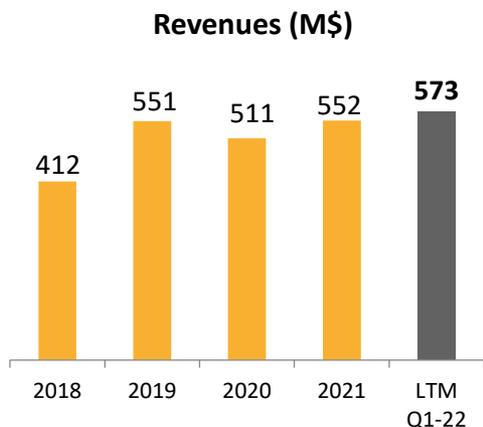
Brands **≈80**

As at April 8, 2022

Milestones in ~40-Year History



Track Record of Growth



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

- Note: 2018 & 2019 figures have been restated to reflect the adoption of IFRS 15.
- Note: 2018 & 2019 figures have not been restated for IFRS 16.

International Network in 40 Countries



6,704 locations and \$3.8B⁽¹⁾ in System Sales as at LTM Q1-2022

Canada	
2,624	\$1,361M

United States	
3,619	\$2,270M

International	
461	\$125M

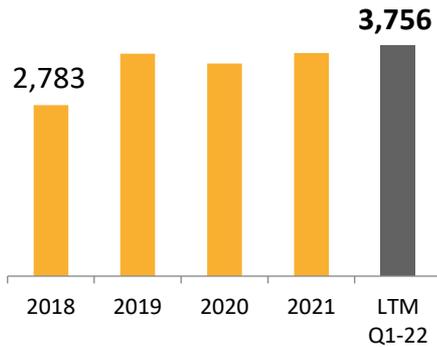


(1) This is a non-GAAP measure. Please refer to page 3 of this presentation.

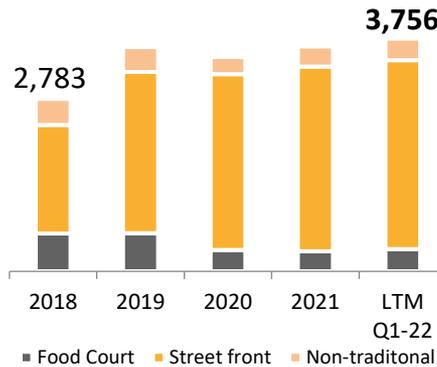
Network Evolution



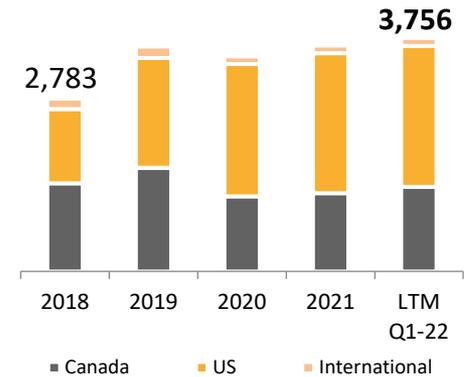
System Sales (M\$)⁽¹⁾



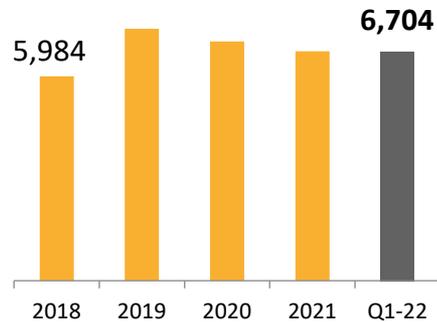
System Sales by Type (M\$)⁽¹⁾



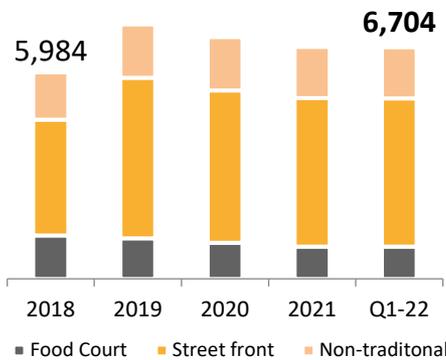
System Sales by Geography (M\$)⁽¹⁾



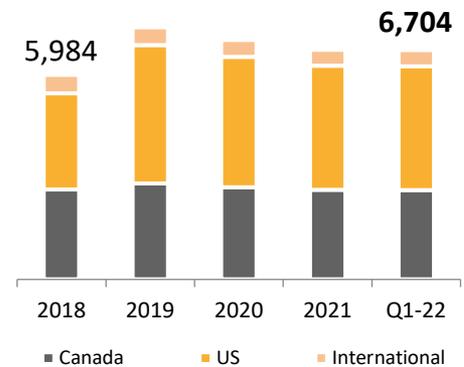
Number of Locations



Locations by Type



Locations by Geography



(1) This is a non-GAAP 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 Fruz – 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

Imvescor 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

2020

- Turtle Jack's Muskoka Grill
- COOP Wicked Chicken
- Frat's Cucina

2022

- Küto Comptoir à Tartares

Diversified Portfolio of Over 80 Brands



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

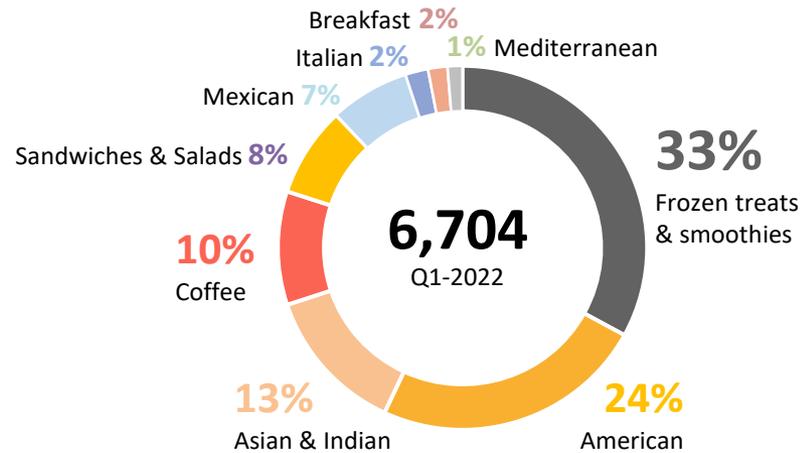


MTY ranks 3rd among Canada's Top 100 foodservice operators⁽¹⁾

Top 10 brands represent 76% of System Sales⁽²⁾



Frozen treats & smoothies represent 33% of locations



(1) Source: Foodservice and Hospitality, The Annual Top 100 Report, June 2019

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

Stock Price Performance Since Listed on TSX



As at April 8, management and the Board own 19% of shares



Source: Yahoo Finance. Transactions on the TSX only.

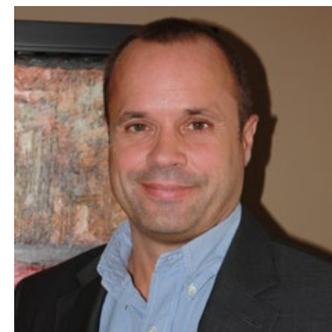
Knowledgeable and Committed Management Team



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



Update on COVID-19

COVID-19 Update – As at April 8, 2022



There continues to be short-term challenges related to COVID-19, but sales are back to pre-pandemic levels for many of the brands and progressing in the right direction for the others

Q1-22 Facts

- 225 locations were closed one or more days during the quarter
- 82 locations temporarily closed at the beginning of the quarter and 69 at the end of the quarter
- 67 locations remain temporarily closed as at April 7.

Near-term Outlook

- Labour shortages and supply chain disruptions will remain a challenge
- **Dividend payment restored as of July 9, 2021**
- **NCIB renewed until July 2022**
- **With regards to potential acquisitions, MTY remains active and is in a strong position to take advantage of opportunities if attractive targets become available**



Market Overview

General Market Conditions



Current environment is highly competitive in terms of value and innovation



Pressure caused by minimum wage and supply price increases and on margins and menu prices



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



Delivery and meal kits are causing a shift in market



Digital marketing and data driven initiatives replacing traditional media



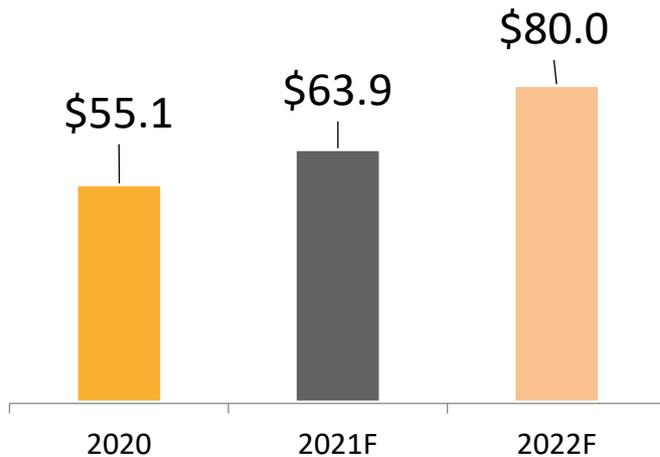
Digital online ordering innovation critical success factor

Market Size by Sales



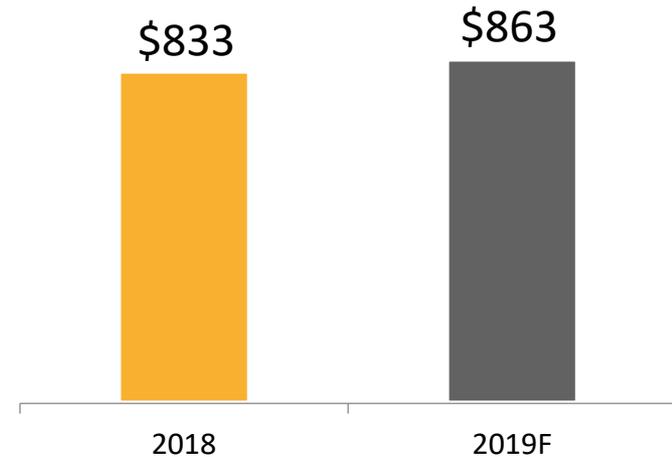
MTY has less than 1% market share in North America

Commercial Foodservice Sales in Canada (in billions of C\$)



Source: Restaurants Canada, Foodservice Facts, 2021

Restaurant Industry Sales in the US (in billions of \$US)



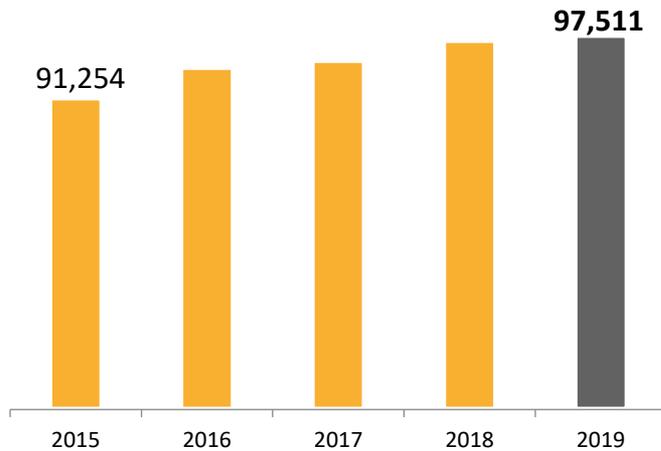
Source: <https://www.nrn.com/sales-trends/us-restaurant-sales-reach-record-863b-2019-nra-says>

Market Size by Number of Restaurants

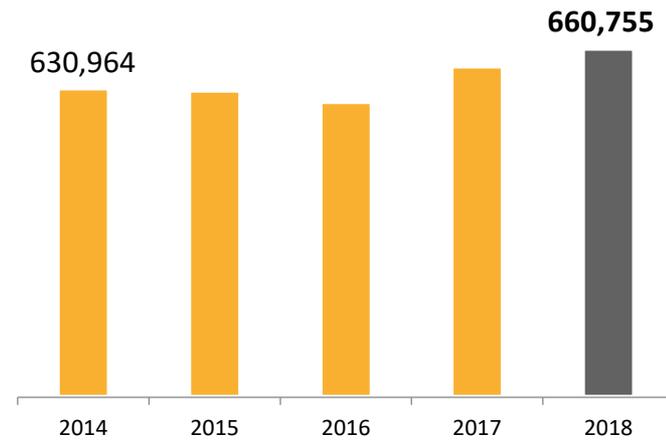


Number of restaurants constantly growing

Commercial Foodservice Units (Canada)



Establishments in U.S. Fast Food Industry



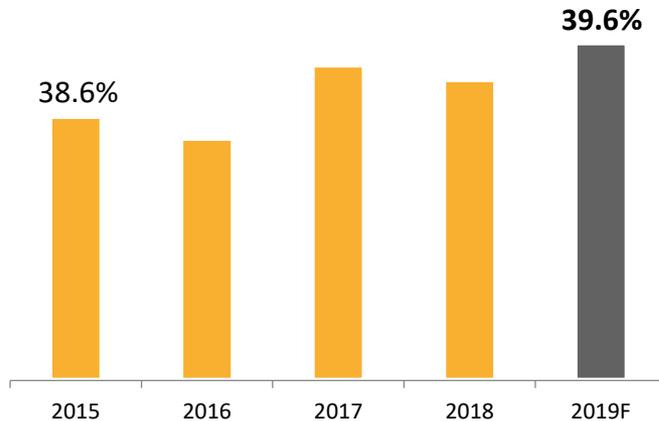
Sources: Restaurants Canada, Industry Key Facts; <https://www.statista.com/statistics/244616/number-of-qsr-fsr-chain-independent-restaurants-in-the-us/>

Market Size by Food Dollars Spent in Restaurants



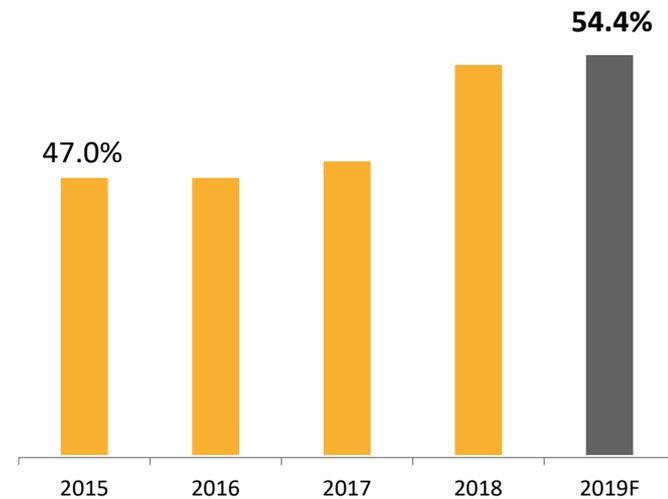
Proportion of food dollars spent in restaurants on the rise in Canada but still way below that of the U.S.

% Spent of food \$ (Canada)



Source: Restaurants Canada, Foodservice Industry Forecast, 2019-2023

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

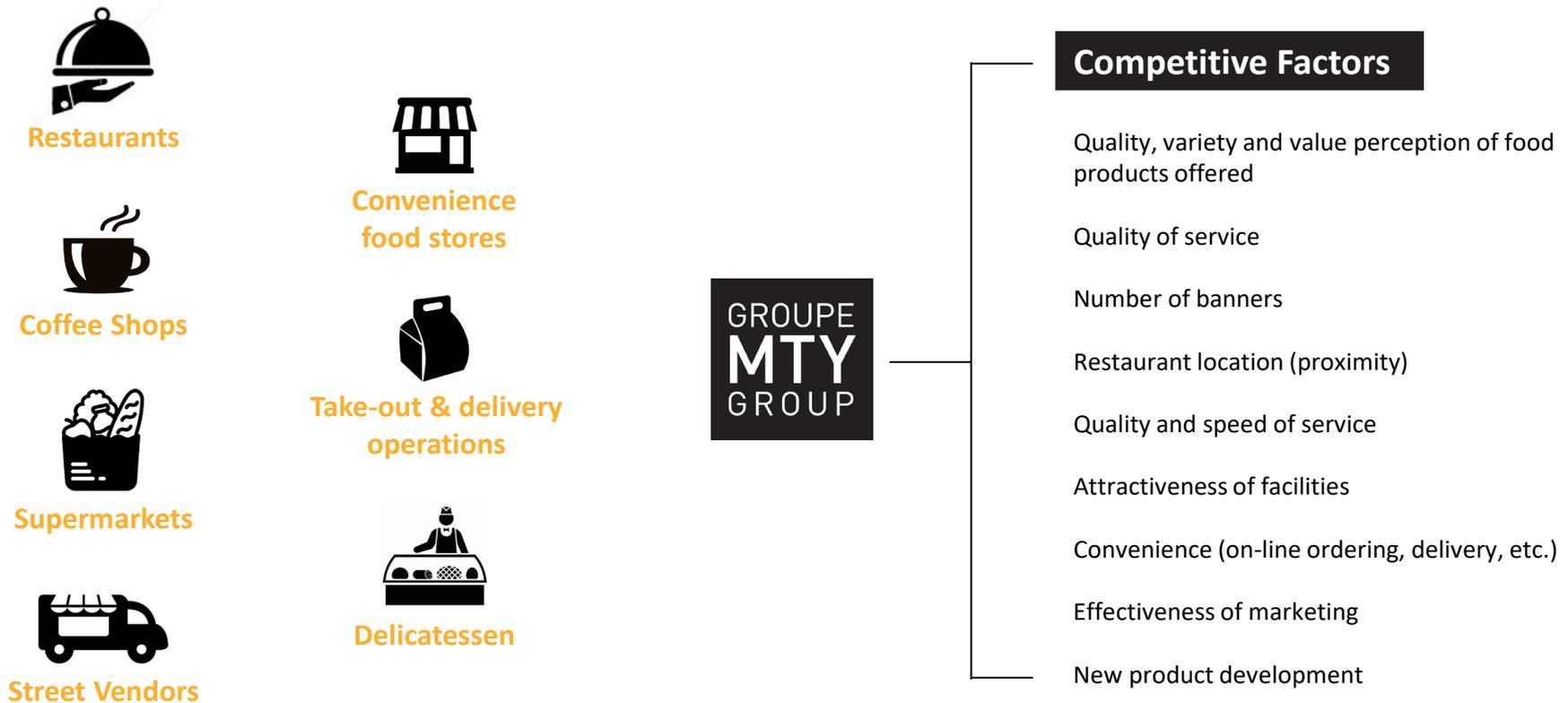


Source: United States Department of Agriculture:
<https://www.ers.usda.gov/data-products/ag-and-food-statisticscharting-the-essentials/food-prices-and-spending/>

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



MTY effectively responds to consumer needs



MTY Competitive Advantages

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

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 \$15

Online ordering 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

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



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



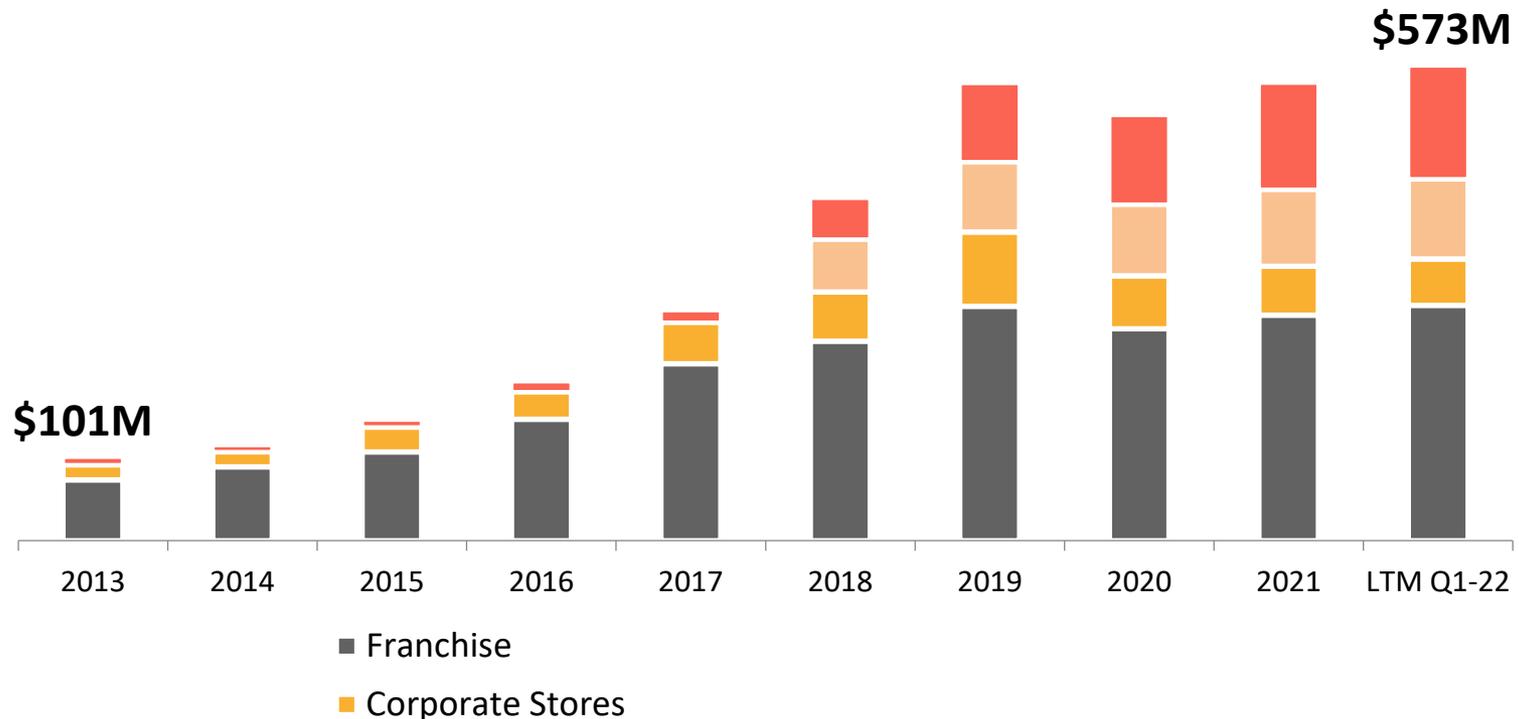
Financial Trends



Diversifying Product Mix



Consistent growth in revenue in our core franchising operations.
Retail segment is also seeing rapid growth.



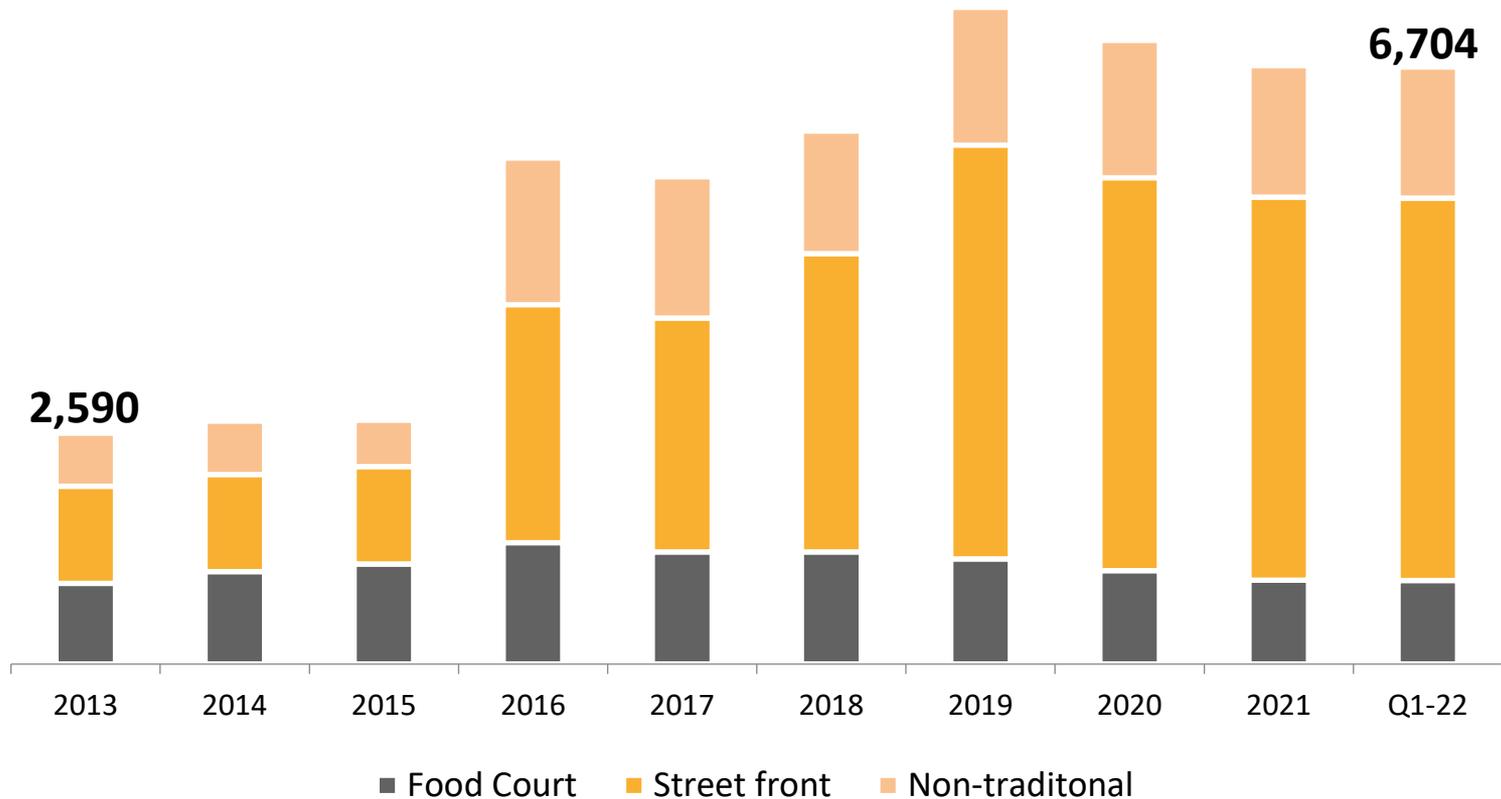
Note: Total revenues include interco.

* 2018 & 2019 figures have been restated to reflect the adoption of IFRS 15.

Growing Street Front & Non-Traditional Locations



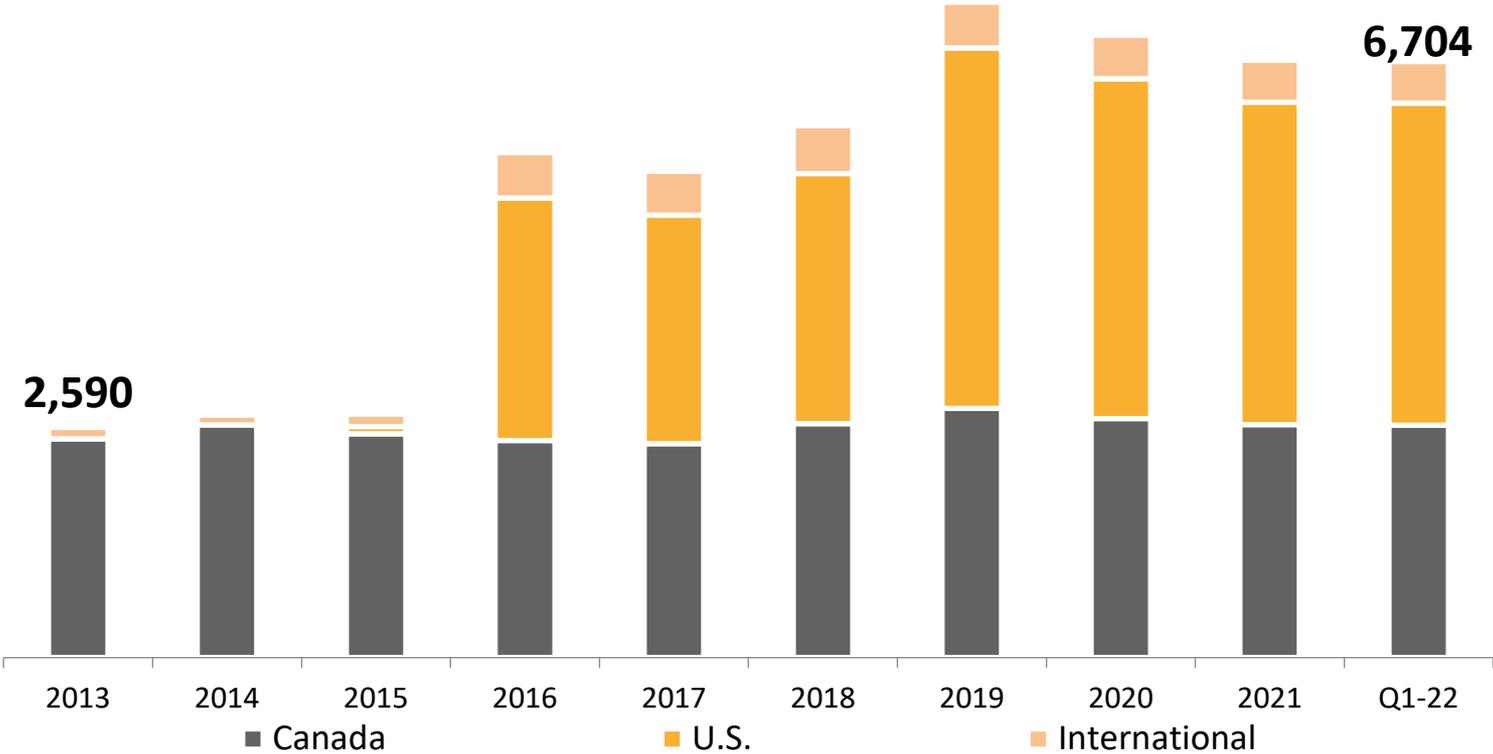
Food courts not prone to grow, reflecting shopping center limited growth



Continuing to Penetrate the U.S. Market



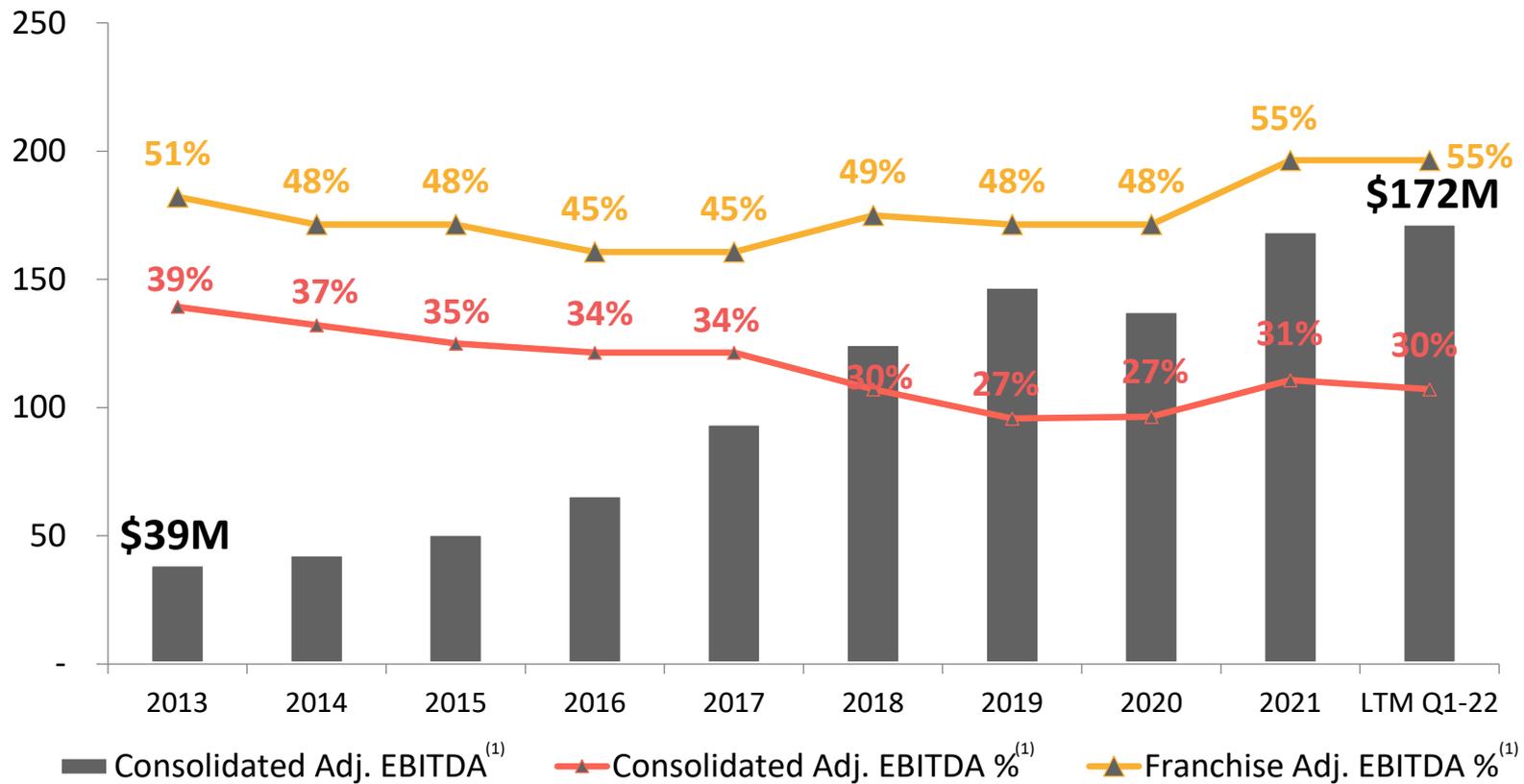
Over 50% of locations are in the U.S. following Papa Murphy's acquisition



Growing Adjusted EBITDA⁽¹⁾ Consistently



Adjusted EBITDA⁽¹⁾ is primarily driven by the franchising segment



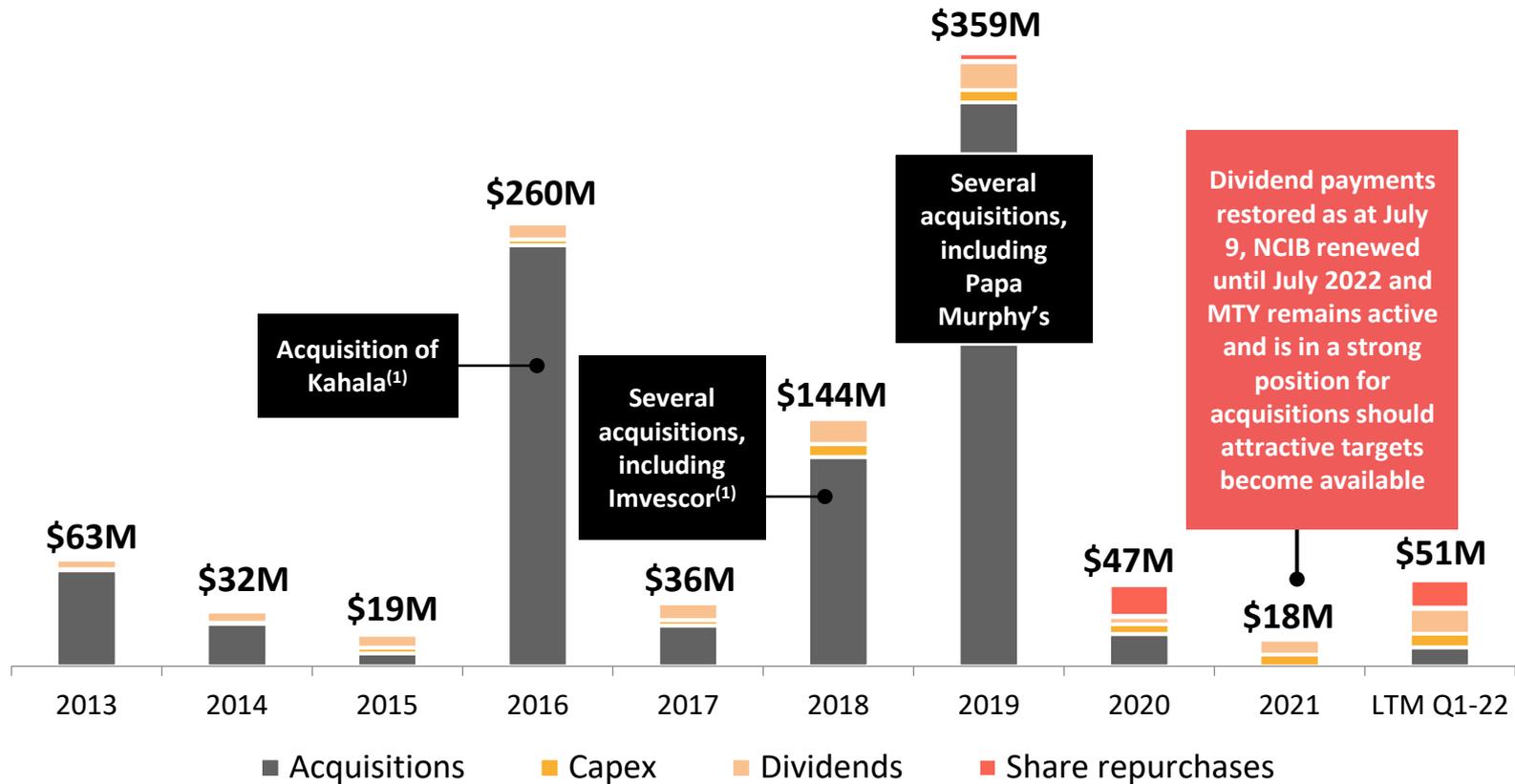
(1) This is a non-GAAP measure. Please refer to page 3 of this presentation.

- Note: 2018 & 2019 figures have been restated to reflect the adoption of IFRS 15.
- Note: 2012-2019 figures have not been restated for IFRS 16.

Deploying Capital Mainly for Acquisitions



Not a capital intensive business

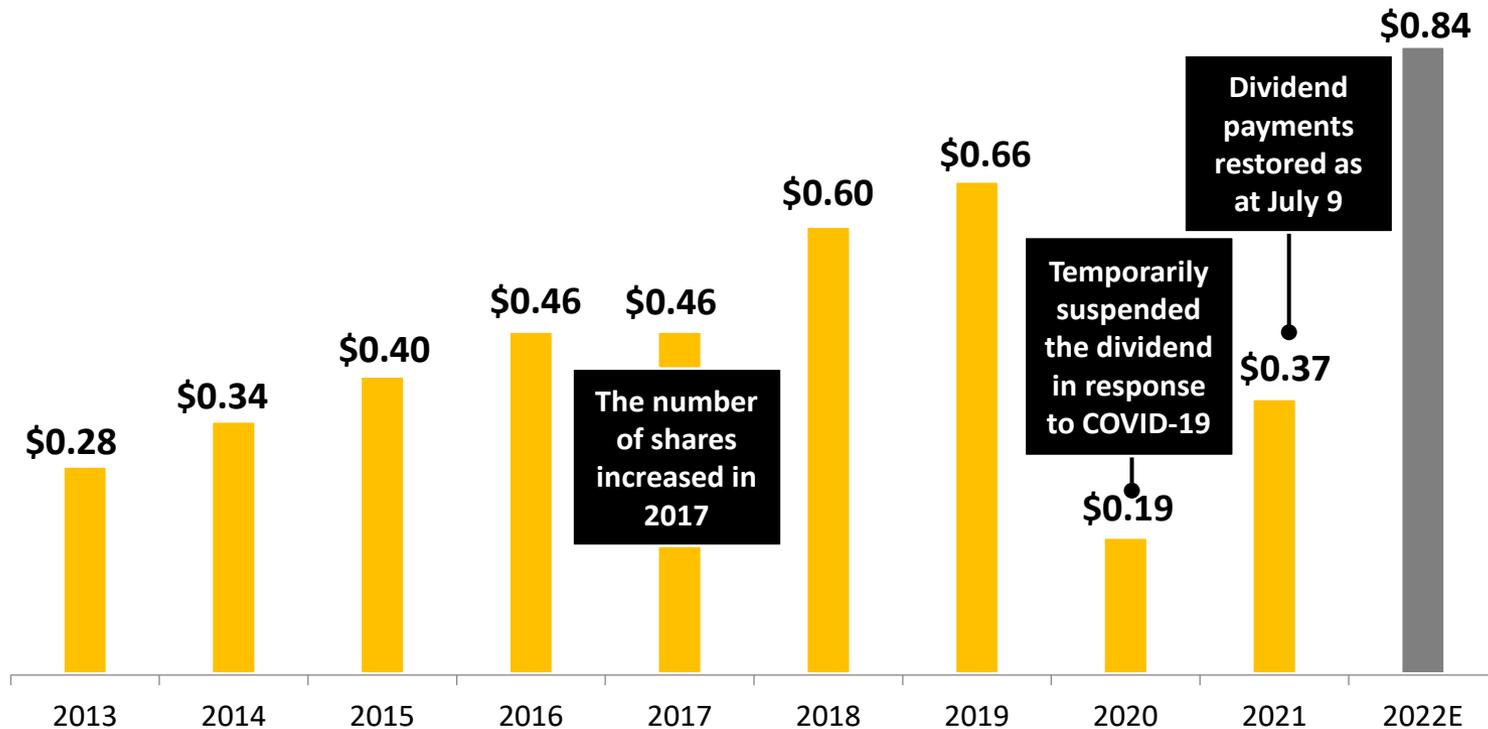


(1) Net cash outflow only.

Increasing Dividends Consistently



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

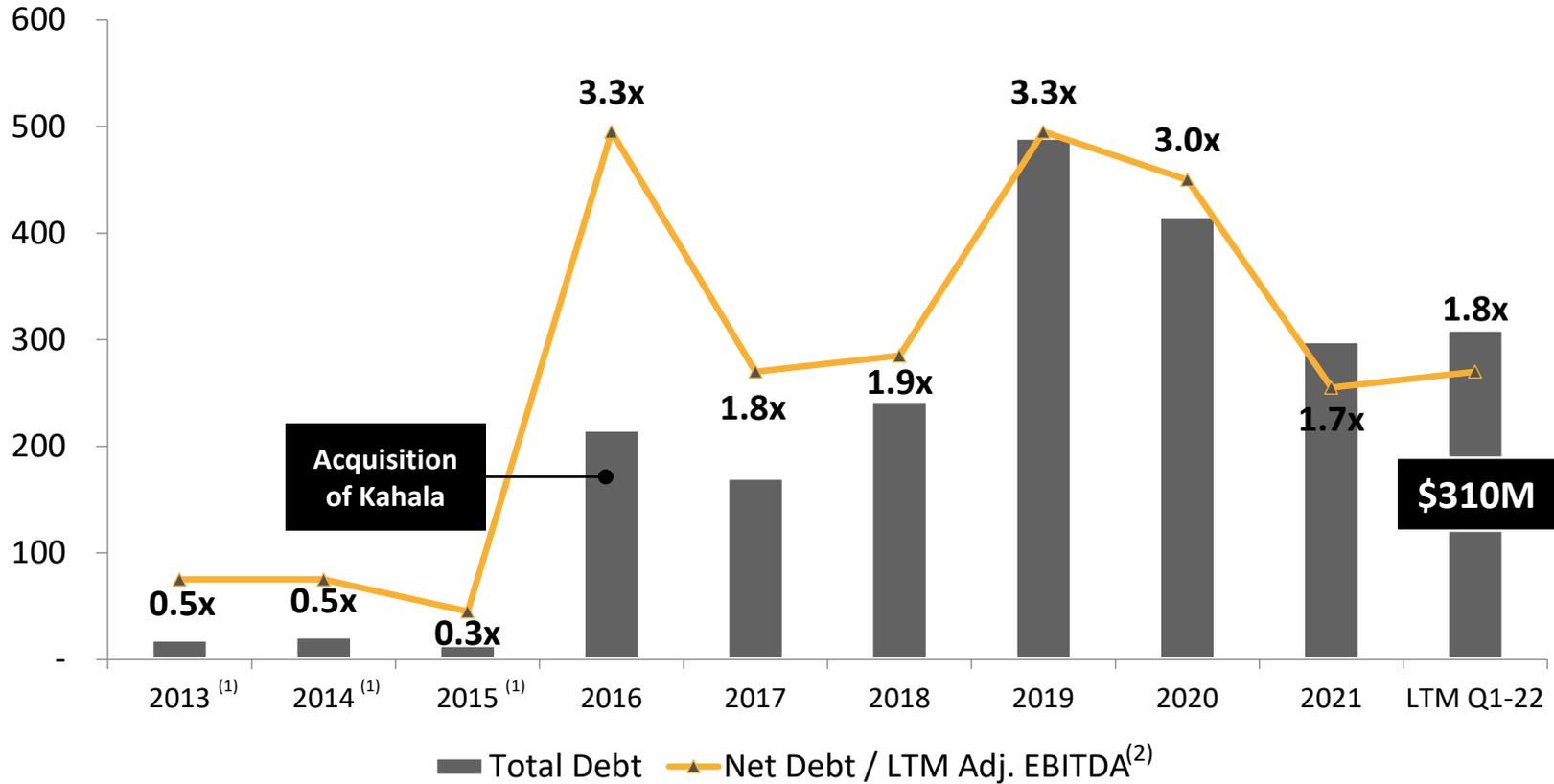


(1) FCF is adjusted EBITDA less taxes and interest. Adjusted EBITDA is a non-GAAP financial measure. Please refer to page 3 of this presentation.

Optimizing Financing Structure



Maintaining a solid balance sheet



(1) On a total debt basis.

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

* 2018 & 2019 figures have been restated to reflect the adoption of IFRS 15.



Q1-2022 Results

Typical Seasonality of MTY Results



System 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

Food court sales are higher during December because of Holiday shopping



Higher street front sales

Higher sales from food courts



Halloween is the biggest sales day for Papa Murphy's

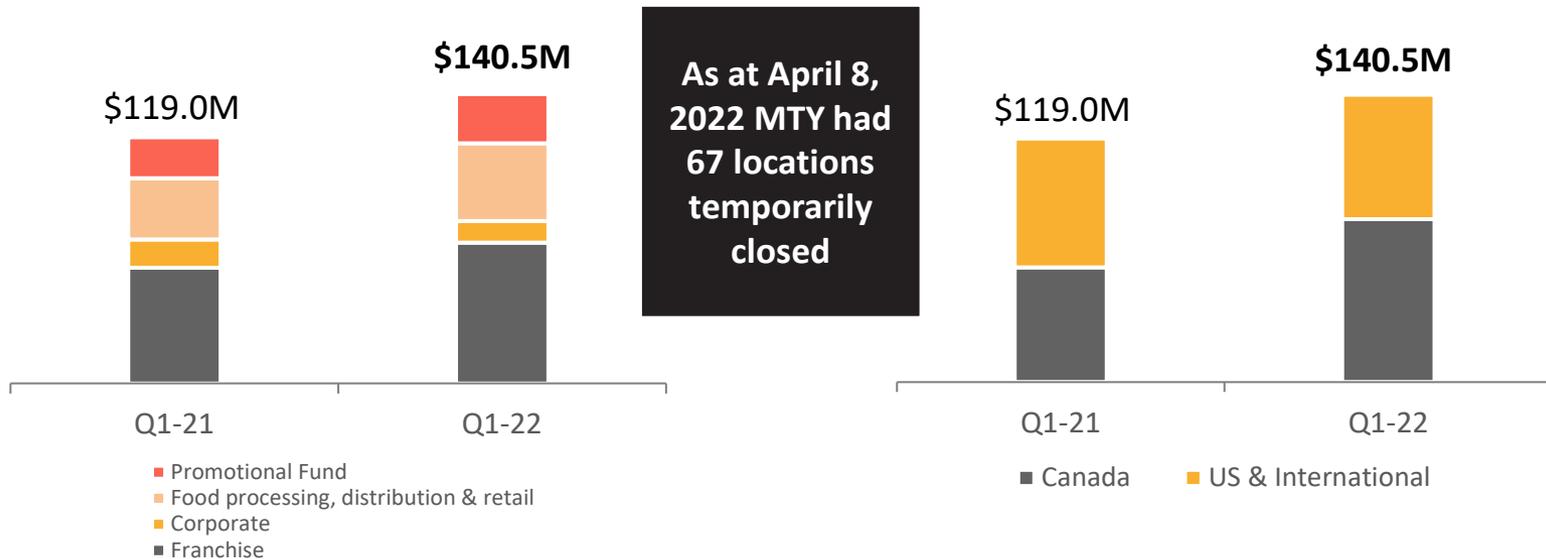


(1) This is a non-GAAP measure. Please refer to page 3 of this presentation.

Q1-22 Revenues showed signs of pandemic recovery



Revenue from franchise locations in Canada surged 54% and Food processing, distribution and retail revenue in Canada improved 27% on the strength of new listings in retail and expansion into new territories.

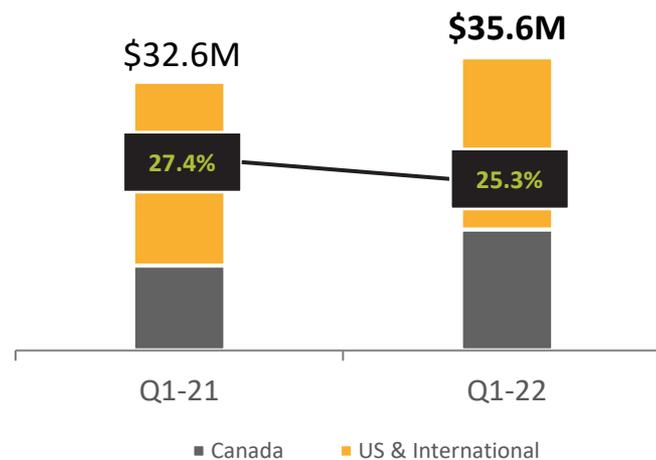
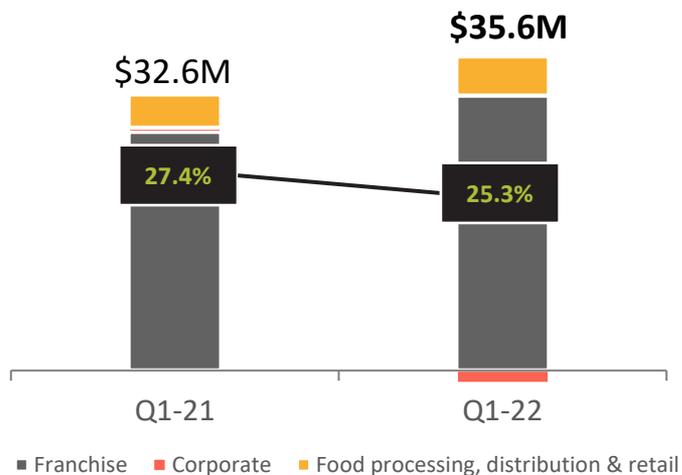


Note: Revenues include interco.

Q1-22 Adjusted EBITDA⁽¹⁾ increased



Canada segment generated \$3.9M of organic growth

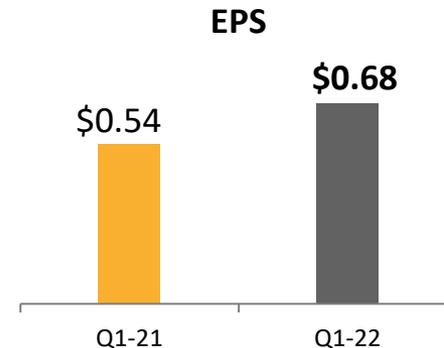
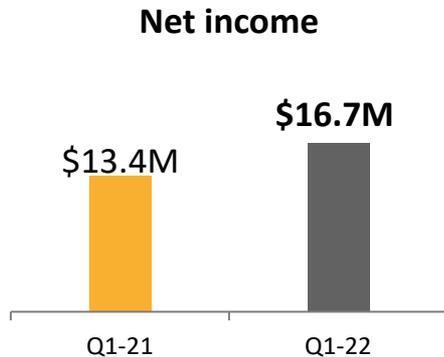
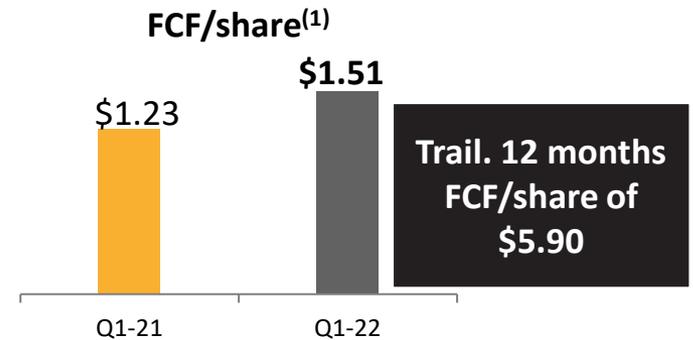
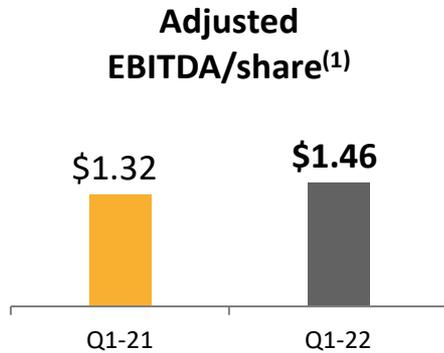


(1) This is a non-GAAP financial measure. Please refer to page 3 of this presentation.

Q1-22 Profitability increased



Free cash flows amounted to \$37.0M in Q1-22 due to disciplined capital management

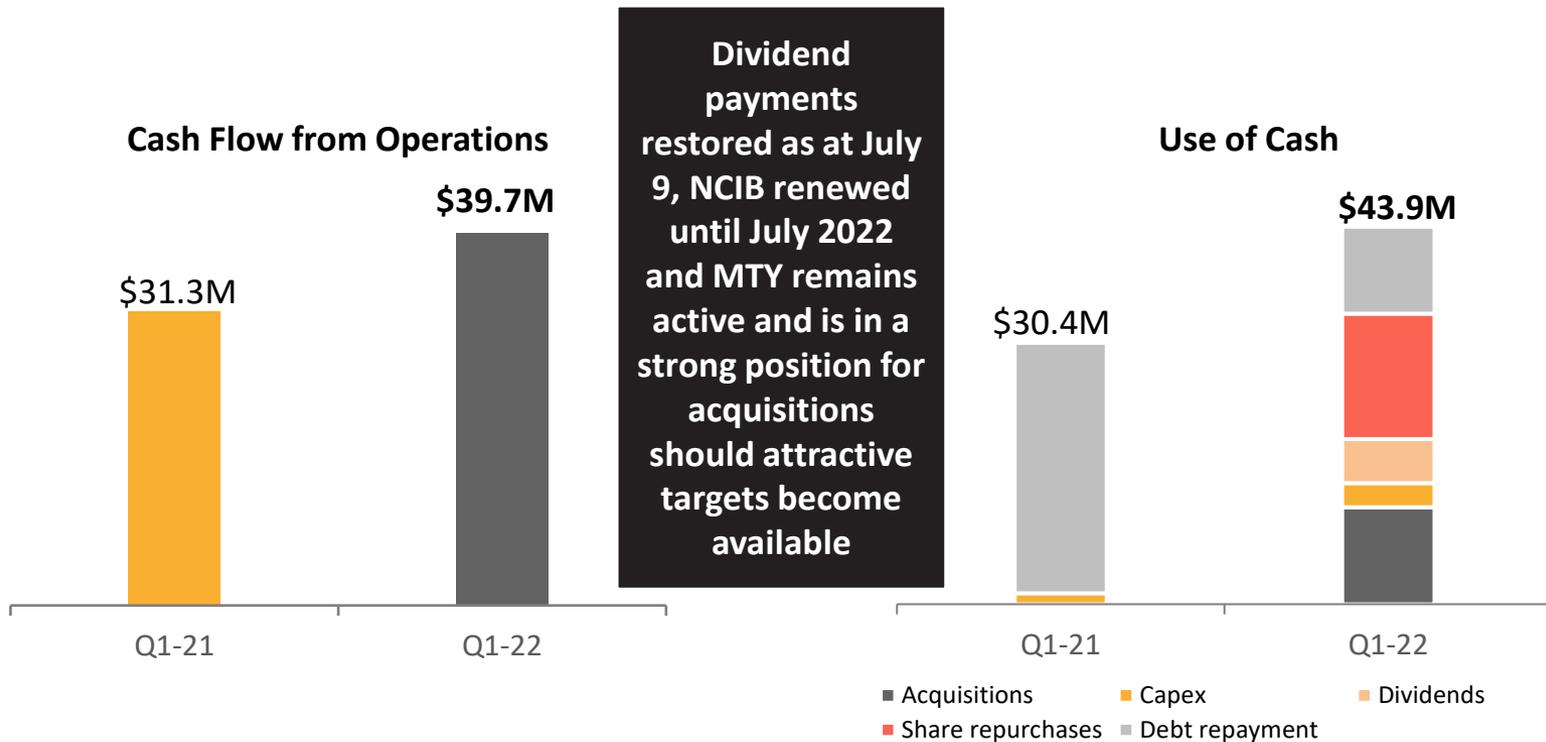


(1) This is a non-GAAP financial measure. Please refer to page 3 of this presentation.

Q1-22 Cash Flow from Operations & Use of Cash



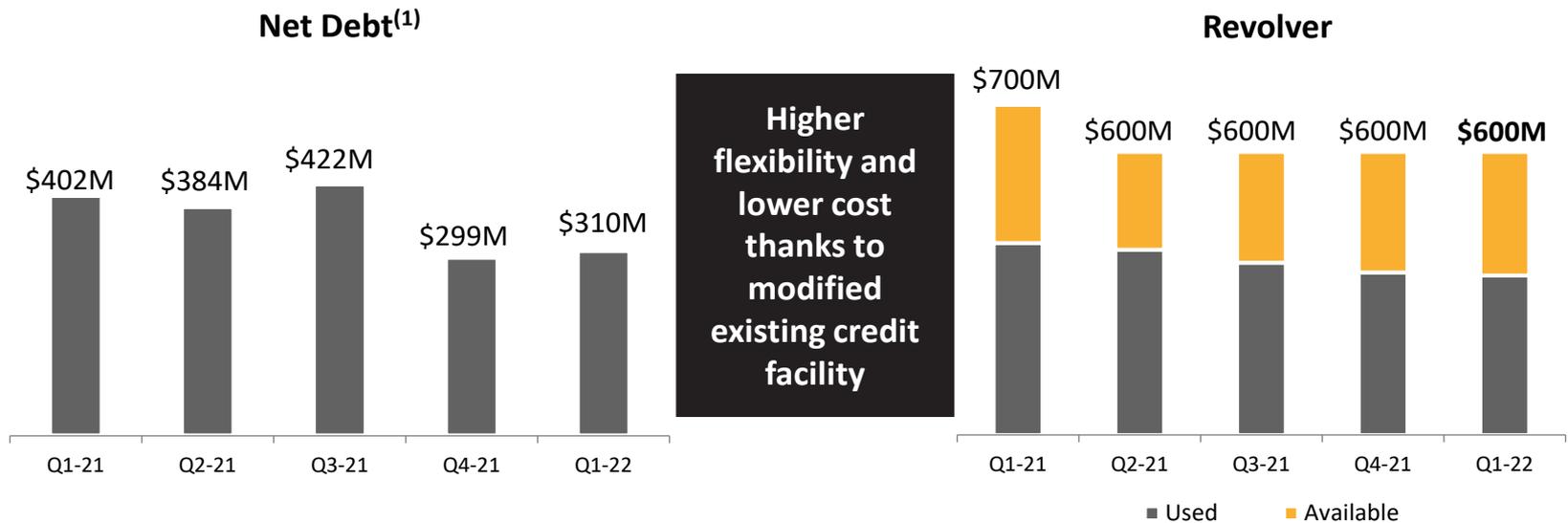
Despite the lingering impact of the pandemic-related restrictions, MTY generated cash flow from operating activities of \$39.7M



Q1-22 Healthy Financial Position



Despite the impacts of COVID-19, MTY continued to improve its financial position with \$52.5M of cash on hand and \$262M available on its credit facilities



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

Valuation Conundrum



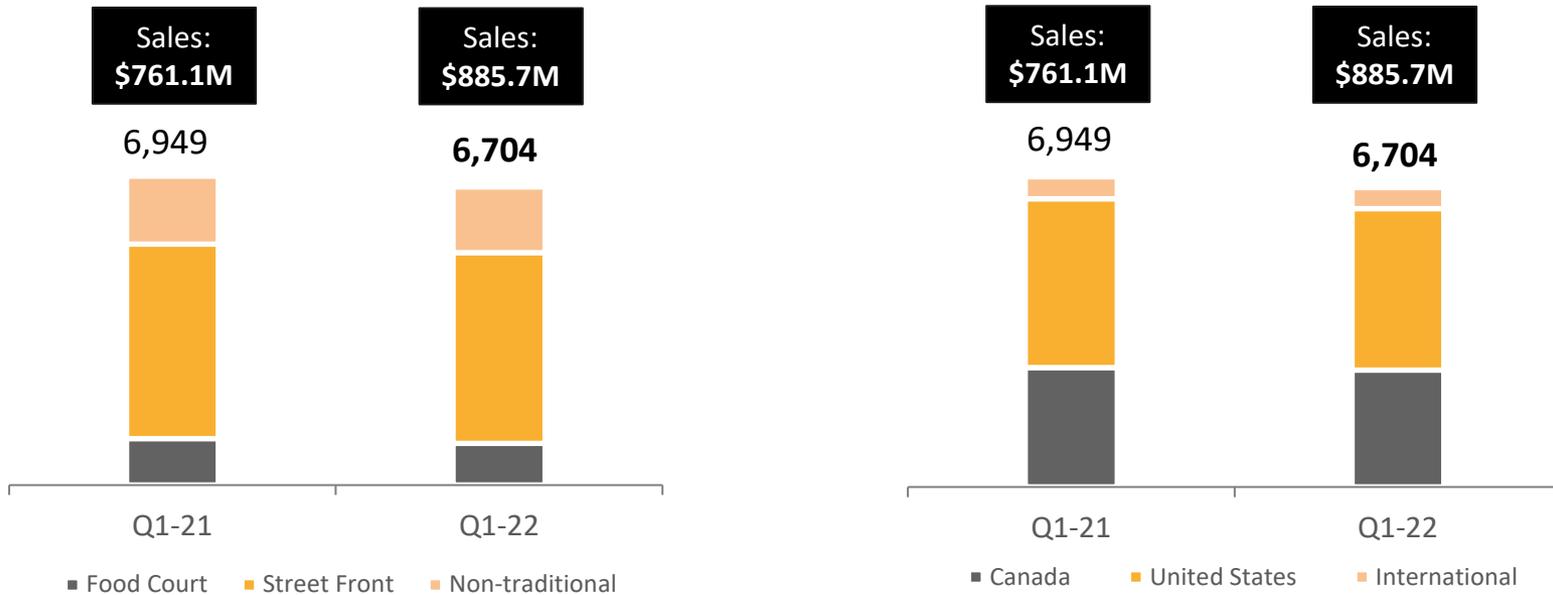
Bloomberg & Factset do not account for subleases which significantly overstates our valuation

Calculations based on Q1-22 data (in thousand except stock price)	Bloomberg / Factset	MTY
Stock price (end of period)	\$51.13	\$51.13
# shares	24,413	24,413
Market cap.	\$1,248,260	\$1,248,260
LTD	340,838	340,838
Current LTD	21,314	21,314
(less cash)	(52,464)	(52,464)
Net debt (excl. leases)	\$309,688	\$309,688
Lease liabilities	356,446	356,446
Current lease liabilities	101,746	101,746
Net debt (incl. leases)	\$767,880	\$767,880
Finance lease receivables	n/a	295,320
Current finance lease receivables	n/a	89,143
Total finance lease receivables	n/a	\$384,463
Net debt	\$767,880	\$383,417
Enterprise value	\$2,016,140	\$1,631,677
LTM EBITDA	171,622	171,622
LTM FCF	145,671	145,671
EV / EBITDA	11.7x	9.5x
EV / FCF	13.8x	11.2x

Q1-22 Network Locations and System Sales⁽¹⁾



Network locations decreased mainly due to COVID-19
but System sales⁽¹⁾ gained momentum



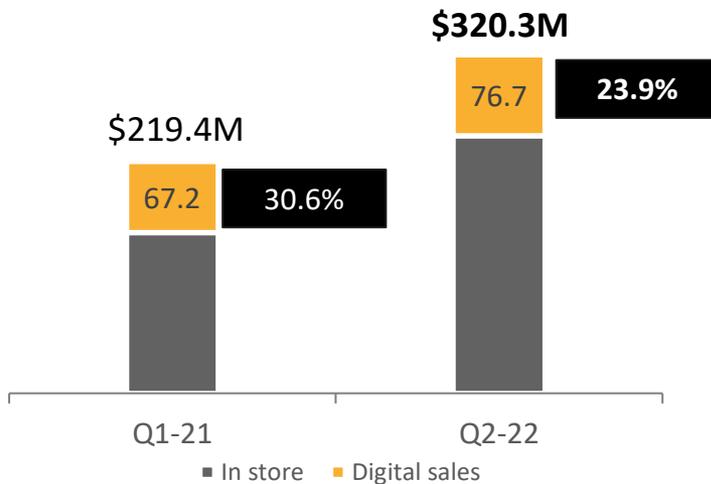
(1) This is a non-GAAP financial measure. Please refer to page 3 of this presentation.

Q1-22 In Store Sales⁽¹⁾ vs Digital Sales⁽¹⁾

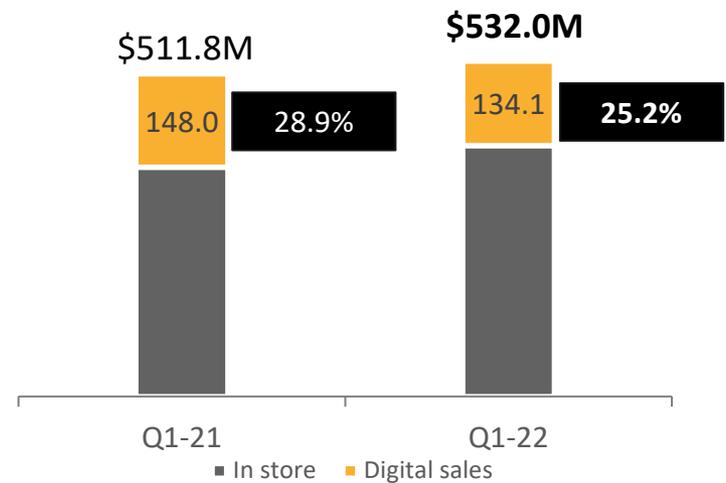


Consumer shifts to online ordering and delivery accelerated due to COVID-19, but digital sales⁽¹⁾ now represents 24.7% of total system sales as more traditional sales channels reopened.

Canada – In store vs digital sales



USA – In store vs digital sales



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

Q1-22 Network Location Evolution



Quarterly net location closures represent on average 1% of total locations. Closed fewer locations in Q1'22 despite continued effect of the pandemic.

	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22
Beginning of period	7,001	6,949	6,907	6,848	6,719
Opened	41	61	56	60	75
Closed	(92)	(103)	(105)	(189)	(121)
Acquired	-	-	-	-	31
JV acquired / (closed)	(1)	-	3	-	-
Disposed	-	-	(13)	-	-
End of period	6,949	6,907	6,848	6,719	6,704
Net	(52)	(42)	(59)	(129)	(15)

Net closures as a % of number of locations	0.7%	0.6%	0.9%	1.9%	0.2%
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Appendix

Historical Data



Income Statement - 5-Year Financial Summary



(thousands of \$, except margin and EPS)	2021	2020	2019 ⁽²⁾	2018 ⁽²⁾	2017 ^{(2) (3)}
Revenues	551,903	511,117	550,942	412,346	276,083
Adjusted EBITDA ⁽¹⁾	168,622	137,819	147,395	124,851	93,726
<i>Adjusted EBITDA margin %⁽¹⁾</i>	<i>30.6%</i>	<i>27.0%</i>	<i>26.8%</i>	<i>30.3%</i>	<i>33.9%</i>
Net income (loss)	85,943	(36,895)	77,736	96,187	49,854
EPS - diluted	3.46	(1.50)	3.08	3.95	2.32

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

(2) Figures have not been restated for IFRS 16.

(3) Figures have not been restated for IFRS 15.

Financial Position - 5-Year Financial Summary



(thousands of \$, except ratio)	2021	2020	2019	2018 ⁽²⁾	2017 ⁽²⁾
Total assets	1,904,594	2,013,697	1,648,801	1,239,520	859,241
Net debt	299,497	416,240	489,913	243,312	171,354
Shareholders' equity	647,639	581,755	664,748	609,614	316,828
Net debt to trailing 12-month Adjusted EBITDA ⁽¹⁾	1.7x	3.0x	3.3x	1.9x	1.8x

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

(2) Figures have been restated for IFRS 15.

Network - 5-Year Financial Summary



	2021	2020	2019	2018	2017
System sales ⁽¹⁾ (millions of \$)	3,631	3,459	3,620	2,783	2,302
Locations	6,719	7,001	7,373	5,984	5,469

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



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