

MTY FOOD GROUP INC.
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NEWS RELEASE

MTY INCREASES ITS QUARTERLY DIVIDEND BY 12%

Montreal, January 24, 2024 - MTY Food Group Inc. (“MTY” or the “Company”) (TSX: MTY), franchisor and operator of multiple concepts of restaurants worldwide, announces its quarterly dividend payment will increase from 25.0¢ per share to 28.0¢ per share, a growth of 12%. The 28.0¢ dividend will be payable on February 15, 2024 to shareholders registered in the Company's records at the end of the business day on February 5, 2024.

“2023 marked another year of continued growth for MTY with many of our key indicators, including normalized adjusted EBITDA⁽¹⁾ and cash flows from operations hitting record highs in the first nine months of 2023. The acquisitions of Wetzel Pretzel’s and Sauce Pizza and Wine in the first quarter of 2023 as well as the acquisition of BBQ Holdings, Inc in the last quarter of 2022 greatly contributed to these milestones which led to management’s decision to increase our quarterly dividend. The 12% increase shows the strength of the MTY brand portfolio and our free cash flow⁽¹⁾ generation abilities. We are very confident in the future of MTY. The 12% increase represents the eleventh increase since our first dividend of 4.5¢ per quarter was declared in November 2010 and our continued commitment to return value to our shareholders.” says Eric Lefebvre, Chief Executive Officer of MTY.

⁽¹⁾ This is a non-GAAP measure. Please refer to the “Non-GAAP measures” section below.

Non-GAAP measures

Normalized adjusted EBITDA (revenue less operating expenses (excluding transaction costs related to acquisitions)) and free cash flows (net cash flows provided by operating activities, used in additions to property, plant and equipment and intangible assets and provided by proceeds on disposal of property, plant and equipment) are non-GAAP (generally accepted accounting principles) measures, do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. The Company believes that Normalized adjusted EBITDA is a useful metric because it is consistent with the indicators management uses internally to measure the Company’s performance, to prepare operating budgets and to determine components of executive compensation, without including the impact of transaction costs related to acquisitions, which may vary in occurrence and in amount. The Company believes that free cash flows are a useful metric because it provides the Company with a measure related to decision-making about cash-intensive matters such as capital expenditures, compensation, and potential acquisitions. The Company also believes that these measures are used by securities analysts, investors and other interested parties and that these measures allow them to compare the Company’s operations and financial performance from period to period and provide them with a supplemental measure of the operating performance and financial position and thus highlight trends in the core business that may not otherwise be apparent when relying solely on GAAP measures.

Forward-looking information

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.**

Eric Lefebvre, Chief Executive Officer

For more information please contact Eric Lefebvre, Chief Executive Officer, at 1-514-336-8885 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.