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**PRESS RELEASE
FOR IMMEDIATE PUBLICATION**

MTY REPORTS THIRD QUARTER RESULTS FOR FISCAL 2024

- **Normalized adjusted EBITDA⁽¹⁾ decreased 1% to \$71.9 million in the quarter, compared to \$72.9 million in Q3-23.**
- **Franchising segment normalized adjusted EBITDA⁽¹⁾ increased 2% to reach \$57.4 million in the quarter, compared to \$56.4 million in Q3-23 with normalized adjusted EBITDA as a % of revenue⁽²⁾ of 56% compared to 54% in Q3-23.**
- **Cash flows provided by operating activities were \$66.4 million compared to \$51.5 million in Q3-23, a increase of \$14.9 million mainly attributable to income taxes received.**
- **Free cash flows net of lease payments⁽¹⁾ increased to \$49.3 million in the quarter, compared to \$32.1 million in Q3-23. Free cash flows net of lease payments per diluted share⁽²⁾ were \$2.06 for the quarter compared to \$1.31 in Q3-23.**
- **System sales⁽³⁾ for the quarter remained relatively stable at \$1.5 billion compared to Q3-23.**
- **Net income attributable to owners of \$34.9 million, or \$1.46 per diluted share compared to \$38.9 million, or \$1.59 per diluted share in Q3-23.**
- **Ended the quarter with 7,066 locations compared to 7,116 locations at the end of our last fiscal year.**
- **Repurchased and cancelled 254,700 shares for a consideration of \$11.4 million in Q3-24, bringing the year-to-date total to 592,200 shares for a consideration of \$27.8 million.**
- **Long-term debt repayments of \$33.9 million for the quarter with net repayments of \$85.4 million since Q3-23.**
- **Amended revolving credit facility on July 10, 2024 to remove \$50.0 million yearly maximum distribution threshold.**
- **Quarterly dividend payment of \$0.28 per share on November 15, 2024.**

⁽¹⁾ This is a non-GAAP measure. Please refer to the “Non-GAAP Measures” section at the end of this press release.

⁽²⁾ This is a non-GAAP ratio. Please refer to the “Non-GAAP Ratios” section at the end of this press release.

⁽³⁾ This is a supplementary financial measure. Please refer to the “Supplementary Financial Measures” section at the end of this press release.

Montreal, October 11, 2024 – MTY Food Group Inc. (“MTY”, “MTY Group” or the “Company”) (TSX: MTY), one of the largest franchisors and operators of multiple restaurant concepts worldwide, reported today financial results for its third quarter of fiscal 2024 ended August 31, 2024 and declared a quarterly dividend of 28.0¢ per share, payable on November 15, 2024 to shareholders registered in the Company’s records at the end of the business day on November 5, 2024.

“Our third quarter of 2024 saw several highlights, including the year-over-year growth of normalized adjusted EBITDA in our franchising and processing, distribution and retail segments,” stated Eric Lefebvre, Chief Executive Officer of MTY. “The effects of the gradual and systematic restructuring we are conducting are starting to bear fruits. In

addition, the quarter brought a 23% increase in cash flow provided by operating activities, which continue to be a primary area of focus for our management team.”

“I am also pleased to report our system sales have remained relatively stable despite the macroeconomic environment in which we operate and the tough comparison to a fantastic third quarter of 2023. Our snack category, which includes brands such as Wetzel Pretzel's and SweetFrog, continues to shine, outperforming prior year.”

“We have opened fewer than anticipated locations in the third quarter, with multiple projects being impacted by significant delays in permitting, construction and pre-opening regulatory inspections, but I remain excited by our strong pipeline and I am confident we will get back to better opening results in the coming quarters,” Lefebvre shared. “MTY remains well-positioned to thrive, due to our dedication to innovation, consistent product quality, superior store design, positive online experience for customers, and perceived value.”

Financial Highlights	Q3-2024	Q3-2023	9 Months 2024	9 Months 2023
(in thousands of \$, except per share information)				
Revenue	292,753	298,080	875,136	889,302
Adjusted EBITDA ⁽¹⁾	71,781	72,870	204,241	210,381
Normalized adjusted EBITDA ⁽¹⁾	71,895	72,932	205,113	211,539
Net income attributable to owners	34,886	38,892	79,469	87,638
Cash flows from operations	66,355	51,495	161,091	136,822
Free cash flows net of lease payments ⁽¹⁾	49,271	32,130	110,514	77,110
Free cash flows net of lease payments per diluted share ⁽²⁾	2.06	1.31	4.59	3.15
Net income per share, basic	1.46	1.59	3.30	3.59
Net income per share, diluted	1.46	1.59	3.30	3.58
System sales ⁽³⁾	1,472,700	1,467,100	4,263,800	4,299,600
Digital sales ⁽³⁾	270,700	249,000	831,600	762,000

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THIRD QUARTER RESULTS

Network

- At the end of the third quarter of 2024, MTY’s network had 7,066 locations in operation, of which 6,830 were franchised or under operator agreements and 236 were corporate-owned. The geographical split among MTY’s locations remained stable year-over-year at 57% in the US, 35% in Canada and 8% International.
- During the third quarter of 2024, MTY’s network opened 67 locations (Q3 2023 – 87 locations) and closed 108 others (Q3 2023 – 92 locations).
- System sales remained steady year-over-year at \$1.47 billion in the third quarter of 2024. The US segment achieved overall sales growth, due to the positive impact of foreign exchange rates and the performance of our snack category which continued to excel. This category includes brands like Wetzel’s Pretzels and SweetFrog who continue to grow, strengthening the overall stability of the business compared to the previous year.
- Same-store sales⁽¹⁾ decreased 2% year-over-year in the third quarter.

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Financial

- Company revenue decreased slightly to \$292.8 million in the third quarter, primarily due to less recurring revenue streams that were tightly correlated to reduced organic system sales. In Canada, revenue from franchise operations decreased by 3% year-over-year, while food processing, distribution and retail sales dropped by 9%. Lower revenues from these subdivisions were offset by a 30% increase from corporate-owned stores driven by a net increase in such locations year-over-year. In the U.S. and International segment, revenues declined mainly due to a 1% decrease in corporate-owned stores, which was partially offset by a 1% increase from franchise operations.
- Normalized adjusted EBITDA, which excludes acquisition-related expenses and SAP project implementation costs, decreased by 1% year-over-year to \$71.9 million in the third quarter of 2024 primarily due to lower organic system sales.
- Net income attributable to owners totaled \$34.9 million, or \$1.46 per share (\$1.46 per diluted share), in the third quarter compared to \$38.9 million, or \$1.59 per share (\$1.59 per diluted share), for the same period in 2023. The year-over-year decrease can mainly be attributed to impairment charges on property, plant and equipment and intangibles assets.

LIQUIDITY AND CAPITAL RESOURCES

- In the third quarter of 2024, cash flows generated by operating activities amounted to \$66.4 million compared to \$51.5 million in the third quarter of 2023. The increase was mainly driven by the receipt of overpaid incomes taxes paid in previous periods.
- MTY reimbursed \$33.9 million of its long-term debt, paid \$6.7 million in dividends to shareholders, and repurchased 254,700 shares for a total consideration of \$11.4 million in the third quarter of 2024.
- As at August 31, 2024, MTY had \$51.0 million of cash on hand and long-term debt of \$690.4 million, mainly in the form of bank facilities and promissory notes on acquisitions. The Company also had a revolving credit facility with an authorized amount of \$900.0 million, of which US\$506.0 million had been drawn at quarter-end. Hedging strategies, including two three-year and two-year fixed interest rate swaps, have provided the Company with quarterly savings of approximately \$0.8 million on interest payments.

DIVIDEND PAYMENT

On October 11, 2024, MTY declared a quarterly dividend payment of \$0.28 per common share. The dividend will be paid on November 15, 2024 to shareholders registered in the Company's records at the end of the business day on November 5, 2024.

CONFERENCE CALL

The MTY Group will hold a conference call to discuss its results on October 11, 2024, at 8:30 AM Eastern Time. Interested parties can join the call by dialing 1-866-777-2509 (North America callers) or 1-412-317-5413 (overseas callers). Parties unable to call in at this time may access a recording by calling 1-855-669-9658 (Canada toll free) 1-877-344-7529 (US Toll Free) or 1-412-317-0088 (International participants) and entering the passcode 5942382.

ABOUT MTY FOOD GROUP INC.

MTY Group franchises and operates quick-service, fast casual and casual dining restaurants under more than 90 different banners in Canada, the US and Internationally. Based in Montreal, MTY is a family whose heart beats to the rhythm of its brands, the very soul of its multi-branded strategy. For 45 years, it has been increasing its presence by delivering new concepts of restaurants, making acquisitions, and forging strategic alliances, which have allowed it to reach new heights year after year. By combining new trends with operational know-how, the brands forming the MTY Group now touch the lives of millions of people every year. With 7,066 locations, the many flavours of the MTY Group hold the key to responding to the different tastes and needs of today's consumers as well as those of tomorrow.

NON-GAAP MEASURES

Adjusted EBITDA (revenue less operating expenses), normalized adjusted EBITDA (revenue less operating expenses excluding transaction costs related to acquisitions and SAP project implementation costs) and free cash flows net of lease payments (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; and net of lease payments) 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 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. The Company believes that normalized adjusted EBITDA is a useful metric for the same reasons as adjusted EBITDA, without including the impact of transaction costs related to acquisitions or SAP project implementation costs, which vary in occurrence and in amount. The Company believes that free cash flows net of lease payments is a useful metric because they provide 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. These measures 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.

Refer to the "Compliance with International Financial Reporting Standards" section of the Company's Management's Discussion and Analysis of the financial position and financial performance ("MD&A").

NON-GAAP RATIOS

Free cash flows net of lease payments per diluted share (free cash flows net of lease payments divided by diluted shares) and normalized adjusted EBITDA as a % of revenue (normalized adjusted EBITDA divided by revenue) are non-GAAP ratios, 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 free cash flows net of lease payments per diluted share is a useful metric because it is used by securities analysts, investors and other interested parties as a measure of the Company's cash flows that are available to be distributed to debt and equity shareholders, including to pay debt, to pay dividends, and to repurchase shares. The Company believes that normalized adjusted EBITDA as a % of revenue is a useful metric because it is consistent with the indicators management uses internally to measure the Company's profitability from operations, including to gauge the effectiveness of cost management measures, as well as provides a measure of the Company's performance that does not include the impact of transaction costs related to acquisitions, which may vary in occurrence and in amount. Refer to the "Compliance with International Financial Reporting Standards" section of the Company's MD&A.

SUPPLEMENTARY FINANCIAL MEASURES

Management discloses supplementary financial measures as they have been identified as relevant metrics to evaluate the performance of the Company. These include 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), and same-store sales (comparative sales generated by stores that have been open for at least 13 months or that have been acquired more than 13 months ago).

FORWARD-LOOKING STATEMENTS

Certain information in this press 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 to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this press 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 press release. Except as required by law, the Company assumes no obligation to update or revise forward-looking information to reflect new events or circumstances. Additional information is available in the Company's MD&A, which can be found on SEDAR+ at www.sedarplus.ca.

Note to readers: The MD&A, condensed interim consolidated financial statements and notes thereto for the third quarter ended August 31, 2024, are available on the SEDAR+ website at www.sedarplus.ca and on the Company's website at www.mtygroup.com.