

*MTY FOOD GROUP INC.*  
(the "Company")

April 21, 2004

TSXV Trading Symbol: "MTY"

**NEWS RELEASE**  
**PROPOSED SHARE ACQUISITION OF 100% OF**  
**MRS. VANELLI'S RESTAURANTS LIMITED**

The Company is pleased to announce that it's wholly-owned subsidiary Matoyee Enterprises Inc. (the "Matoyee") has entered into a binding agreement to purchase all of the issued and outstanding shares of Mrs. Vanelli's Restaurants Limited from Donato Food Corporation (the "Donato"), and the tradenames or trademarks "Mrs. Vanelli's" from Mrs. Vanelli's Systems Inc. of Oakville, Ontario, for an all-cash undisclosed amount. There are presently 105 existing Mrs. Vanelli's outlets, with 90 outlets in Canada, and 15 franchised outlets in the Middle East, for the retail sale of pizza, pasta, salads, and panini sandwiches, etc. Mrs. Vanelli's system-wide sales for the last fiscal year were over \$34 million with strong future growth potential, both in Canada and abroad. The acquisition will enhance Matoyee's existing 13 Panini Pizza Pasta quick service restaurants. Upon completion of the acquisition, Matoyee will be one of the largest pizza pasta quick service restaurant franchise systems in Canada, with 118 quick service outlets in operations, and annual system-wide pizza pasta sales of over \$37 million.

"This is a great acquisition for MTY as it gives them a National Brand with a great history and huge opportunity for further development. Donato is pleased that MTY operates with similar core values and beliefs that will ensure the continued success of this Brand and all those involved" say Nick Veloce, Vice President & Chief Operating Officer of Donato Food Corporation.

The closing of the acquisition is subject to the completion of certain conditions, and closing of the acquisition is scheduled to be within the next 60 days. The proposed acquisition does not represent a reverse take-over or change in business of the Company.

The Company is also very pleased to announce that Mr. Brian Worts, ex-President and CEO of Manchu Wok Restaurants, will be joining Matoyee, as Vice President and COO of Mrs. Vanelli's, in-charge of the Mrs. Vanelli's operations, to ensure the achievement of the business plans and objectives of the Company. Upon the completion of the acquisition, Matoyee will expand its operational office presently located in Concord, in North Toronto, Ontario.

The acquisition of Mrs. Vanelli's and its most recent acquisition of "La Cremiere" on December 10, 2001, "Croissant + Plus" on September 1, 2002, and "Cultures" on May 2, 2003 represents Matoyee's fourth acquisition during the past two and a half years. This acquisition will complement and expand Matoyee's existing quick service franchise operations, and bring Matoyee's restaurant system-wide annual sales to over \$100 million, with over 400 outlets in operations.

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

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Stanley Ma, Chairman of the Board

For more information please contact Jean-Francois Dube, investor relations at 1-450 226-8475 or by e-mail at [jfcinc@cgocable.ca](mailto:jfcinc@cgocable.ca) or visit our website: [www.mtygroup.com](http://www.mtygroup.com) This news release was prepared by management who takes full responsibility for its contents. The TSX Venture Exchange neither approves nor disapproves the contents of this news release.