

MTY enters into an agreement to acquire the assets of Thai Zone

TSX Trading Symbol: "MTY"

MONTREAL, Aug. 13, 2013 /CNW Telbec/ - MTY Food Group Inc. ("MTY" or the "Company") (TSX: MTY), franchisor and operator of multiple concepts of quick service restaurants, announced today that its wholly-owned subsidiary MTY Tiki Ming Enterprises Inc. has entered into a binding agreement to acquire 80% of the assets of 9199-0465 Quebec Inc. and Alimentation ThaiZone Inc. ("Thai Zone") (www.thaizone.ca) via a new company to be formed, with balance of the 20% to remain with the existing founders of Thai Zone. Total consideration for MTY's 80% share in the business is expected to be \$17.8M and will be paid from MTY's cash on hand and available credit facilities.

Established in 2007, Thai Zone currently has a network of 24 stores plus 5 additional stores to be opened within the next few months, all stores are franchised and based in Quebec and generated average annual net sales per store of \$1.23M. In addition, Thai Zone has recently made an entry in retail grocery stores and is currently in the deployment phase. Two of the founders, Pascal Leclerc and Marie-Christine Martel, will stay on board and oversee the daily operations and the future development of the Thai Zone brand.

With a distinctive store design, strong operations and coveted sites, Thai Zone is a strong competitor in the Thai food franchise industry in the Province of Quebec. Presently, all Thai Zone's restaurants are street-front locations with dining room, take-out and delivery and some locations also offer drive-through service.

"We are excited to acquire such a young and dynamic brand. It will be a great addition to our portfolio and a solid contributor to our growth in the future", said Stanley Ma, CEO of MTY. "Thai Zone has been growing at a fast pace in the past two years and the success of its existing restaurants provides a solid foundation for future expansion".

The closing of the transaction is scheduled within the next 45 days and remains subject to several closing conditions as well as to standard regulatory approvals.

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.**

Stanley Ma, Chairman, President & CEO

SOURCE: MTY FOOD GROUP INC.

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For further information:

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CO: MTY FOOD GROUP INC.

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