

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 19, 2023



PORTILLO'S INC.

(Exact name of registrant as specified in its charter)

001-40951

(Commission File Number)

87-1104304

(I.R.S. Employer Identification No.)

Delaware
(State or other jurisdiction of incorporation or organization)

2001 Spring Road, Suite 400, Oak Brook, Illinois 60523
(Address of principal executive offices)

(630) 954-3773

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|--|----------------|---|
| Class A Common Stock, \$0.01 par value per share | PTLO | Nasdaq Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Portillo's Inc., a Delaware corporation (the "Corporation"), will be hosting an investor day on September 19, 2023 in Dallas-Fort Worth ("Development Day"). Interested parties can listen to the webcast of Development Day live by registering at <https://investors.portillos.com/events-and-presentations>.

A copy of the presentation to be used during the Development Day is attached to this Current Report on Form 8-K as Exhibit 99.1 and is also available on the Corporation's website at <https://investors.portillos.com/events-and-presentations>.

A transcript of the presentation, including Q&A, will be posted on the Corporation's website once available.

The information contained in this Item 7.01, including the related information set forth in the presentation attached hereto as Exhibit 99.1 and incorporated by reference herein, is being "furnished" and shall not be deemed "filed" for the purposes of Section 18 of the Exchange Act or otherwise. The information in this Item 7.01 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or into any filing or other document pursuant to the Exchange Act, except as otherwise expressly stated in any such filing.

Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). All statements other than statements of historical fact are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial position, results of operations, plans, objectives, future performance and business, and are based on currently available operating, financial and competitive information which are subject to various risks and uncertainties, so you should not place undue reliance on forward-looking statements. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "aim," "anticipate," "believe," "commit," "estimate," "expect," "forecast," "outlook," "potential," "project," "projection," "plan," "intend," "seek," "may," "could," "would," "will," "should," "can," "can have," "likely," the negatives thereof and other similar expressions.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following:

- risks related to or arising from our organizational structure;
- risks of food-borne illness and food safety and other health concerns about our food;
- risks associated with our reliance on certain information technology systems and potential failures or interruptions;
- privacy and cyber security risks related to our digital ordering and payment platforms for our delivery business;
- the impact of competition, including from our competitors in the restaurant industry or our own restaurants;
- the impact of labor shortages, the increasingly competitive labor market and our ability to attract and retain the best talent and qualified employees;
- the impact of federal, state or local government regulations relating to privacy, data protection, advertising and consumer protection, building and zoning requirements, costs or ability to open new restaurants, or sale of food and alcoholic beverage control regulations;
- our ability to achieve our growth strategy, such as the availability of suitable new restaurant sites in existing and new markets;
- risks relating to changes in economic conditions, including a possible recession and resulting changes in consumer preferences;
- inflation of all commodity prices, including increases in food and other operating costs, tariffs and import taxes, and supply shortages;
- the potential future impact of COVID-19 (including any variant) on our results of operations, supply chain or liquidity; and
- other risks identified in our filings with the Securities and Exchange Commission (the "SEC").

All forward-looking statements are expressly qualified in their entirety by these cautionary statements. You should evaluate all forward-looking statements made in this Form 10-Q in the context of the risks and uncertainties disclosed in our Annual Report on Form 10-K for the

fiscal year ended December 25, 2022 filed with the SEC on March 2, 2023, and subsequent filings with the SEC. All of the Company's SEC filings are available on the SEC's website at www.sec.gov. The forward-looking statements included in this presentation are made only as of the date hereof. The Company undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|-----------------------|---|
| <u>99.1</u> | <u>Development Day Presentation</u> |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

Portillo's Inc.
(Registrant)

Date: September 19, 2023

By: /s/ Michelle Hook
Michelle Hook
Chief Financial Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)



Portillo's[®]

Development Day

September 19, 2023



Welcome

Barb Noverini | Head of IR



Elmhurst, IL

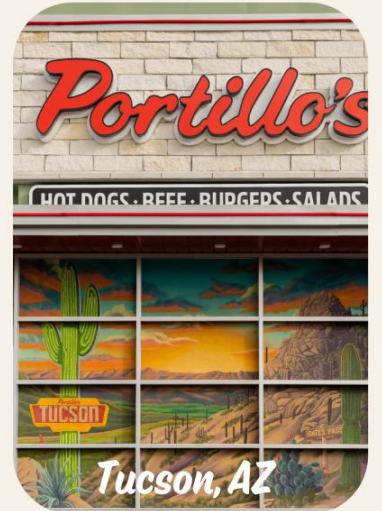
AGENDA

Tuesday, September 19

- 8:00 am **Welcome and Opening Remarks**
Barb Noverini | Head of Investor Relations
- 8:05 am **Developing Shareholder Value**
Michael Osanloo | CEO and President
- 8:25 am **Developing Future Growth**
Michael Ellis | Chief Development Officer
- 8:40 am **Opening with Excellence**
Derrick Pratt | Chief Operating Officer
- 9:00 am **Restaurant of the Future**
Nick Scarpino | SVP Marketing & Off-Premise
- 9:10 am **Minimum Achievable Market**
Garrett Kern | VP of Strategy & Culinary
- 9:20 am **Developing Future Value**
Michelle Hook | Chief Financial Officer
- 9:40 am **Break**
- 9:45 am **Q&A with Management**

In-Person Track

- 10:30 am **Bus to Allen**
- 11:00 am **Kitchen 23 Tour**
Derrick Pratt | COO
- 11:30 am **Let's Eat!**
- 12:00 pm **Bus to Arlington**
- 1:00 pm **Site Walk**
Michael Ellis | CDO
- 1:30 pm **Bus to DFW**



Portillo's

Developing Shareholder Value

Michael Osanloo | CEO and President



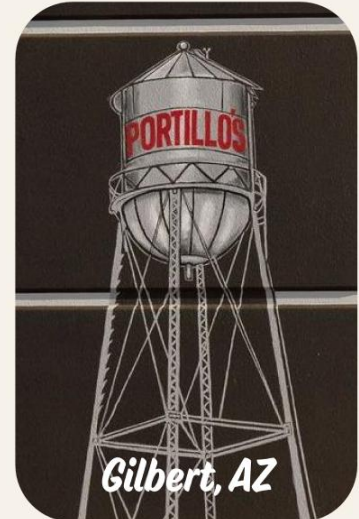
Orlando, FL

DEVELOPING SHAREHOLDER VALUE

.....

Portillo's

- 1** New unit growth **key driver** of PTLO valuation
- 2** Accelerating **profitable** unit growth through development discipline
- 3** **Strategic revamp** of market and site selection driving **attractive early results**
- 4** **De-risking** restaurant openings **sustains strong new unit economics**
- 5** **Optimized footprint improves returns and widens minimum achievable market (MAM)**



CLASS OF 2023 DEVELOPMENT UPDATE



Kissimmee, FL



Tucson, AZ



Allen, TX



The Colony, TX



Gilbert, AZ



Queen Creek, AZ

Currently Under Construction

Cicero, IL

Arlington, TX

Algonquin, IL

Rosemont, IL

Clermont, FL

Fort Worth, TX

4 in Completed Class of 2022

8 in Class of 2023



CLASS OF 2023 DEVELOPMENT UPDATE



Kissimmee, FL



Tucson, AZ



Allen, TX



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Gilbert, AZ



Queen Creek, AZ

Currently Under Construction

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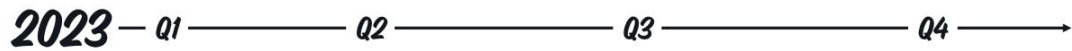
Rosemont, IL

Clermont, FL

Fort Worth, TX

4 in Completed Class of 2022

8 in Class of 2023



ACCELERATING HISTORICAL GROWTH TRAJECTORY THROUGH DISCIPLINED DEVELOPMENT



Number of Restaurants by Fiscal Year



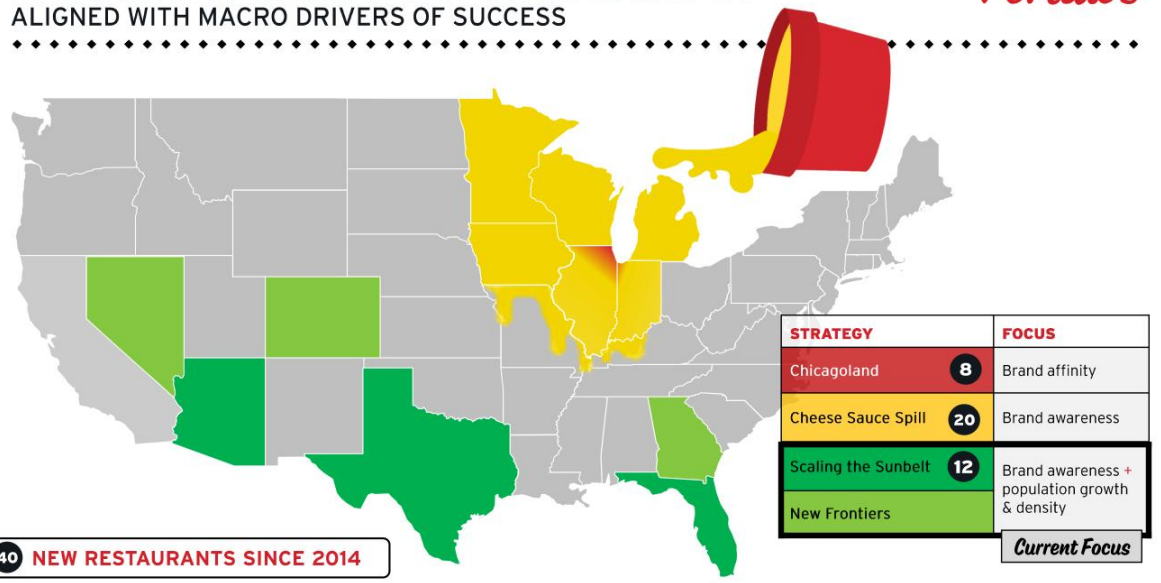
| Unit Growth ⁽¹⁾ | 2004-2013 | 2014-2020 | Class of 2021 | Class of 2022 | Class of 2023E | LT Growth Algorithm (at IPO) |
|----------------------------|--------------|-------------|------------------------|------------------------|------------------------|------------------------------|
| | 3.5% | 7.7% | 7.8% | 10.1% | 10.5% | 10%+ |
| | 10-Year CAGR | 7-Year CAGR | 5 units over 12 months | 7 units over 15 months | 8 units over 12 months | per year |

(1) Includes C&O of which Portillo's owns 50% of the equity.

EVOLUTION OF MARKET SELECTION STRATEGY

ALIGNED WITH MACRO DRIVERS OF SUCCESS

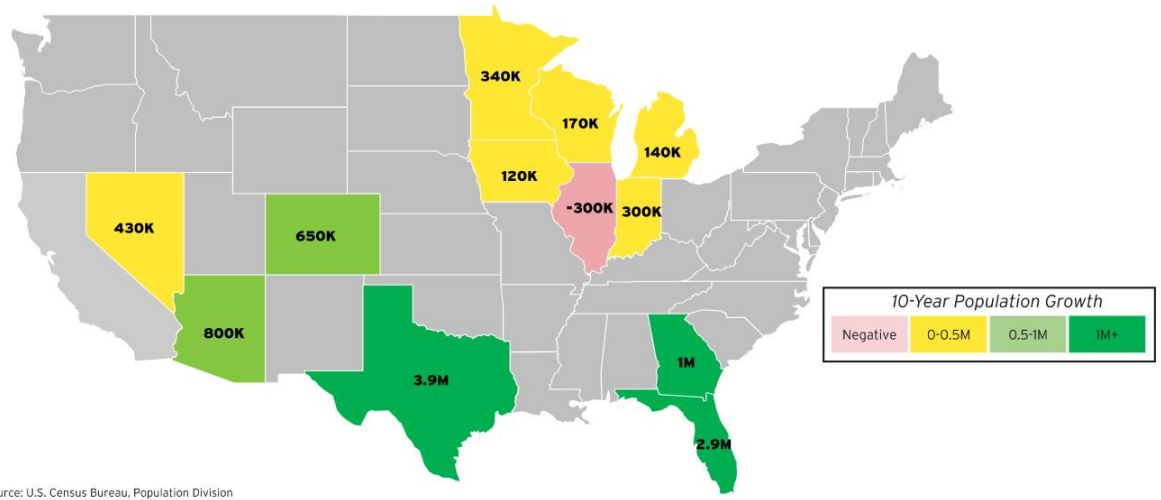
Portillo's



EVOLUTION OF MARKET SELECTION STRATEGY

ALIGNED WITH MACRO DRIVERS OF SUCCESS

Portillo's

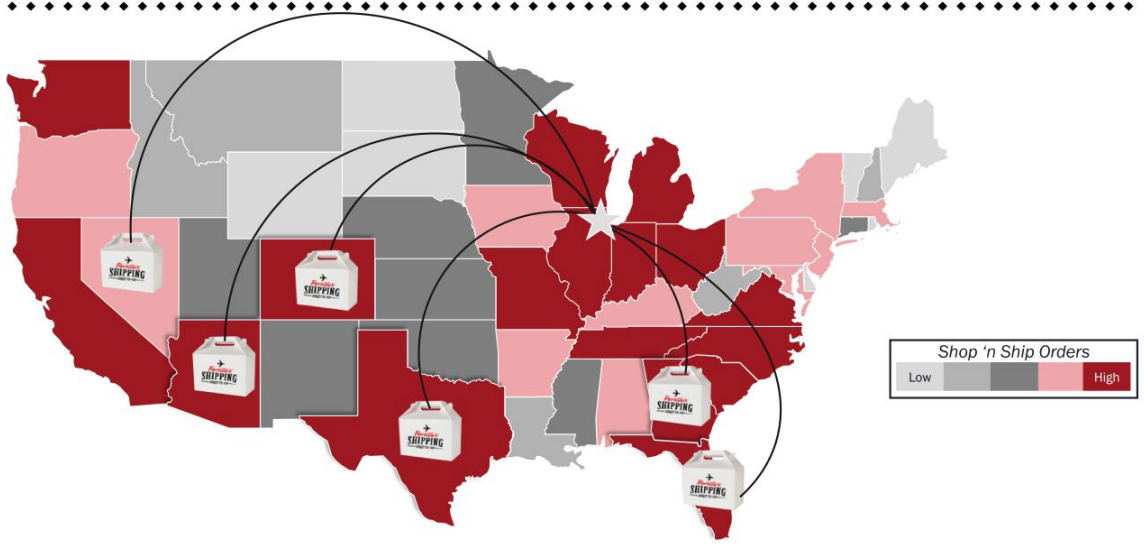


Source: U.S. Census Bureau, Population Division
Note: Population growth are estimates

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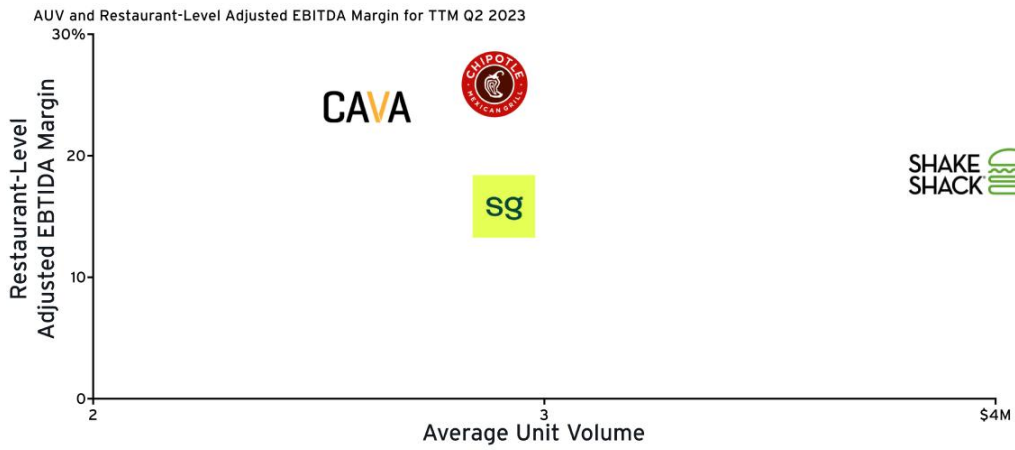
MARKET SELECTION MATTERS FOR A GROWTH CONCEPT

FOLLOW THE DATA, FIND THE FANS



EVOLUTION OF MARKET SELECTION STRATEGY

DRIVING INCREDIBLE NEW UNIT ECONOMICS

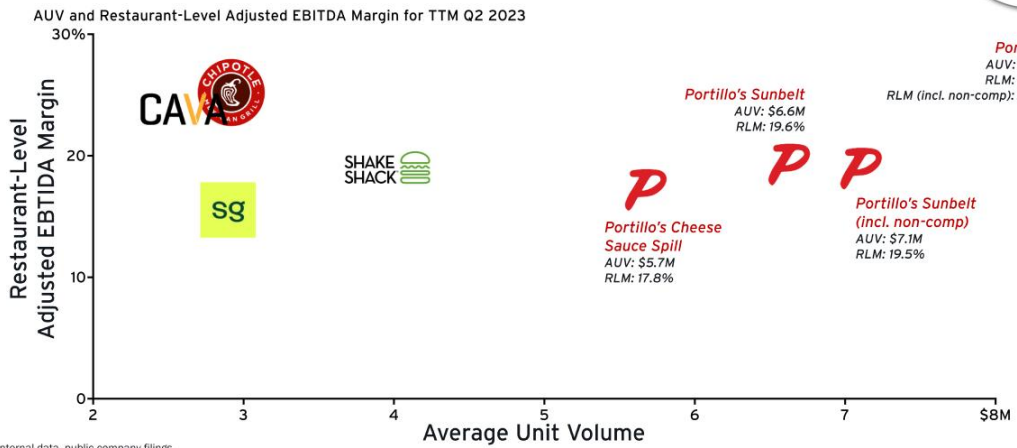


Source: Public company filings
Note: Shake Shack figures approximate based on average weekly sales for domestic-company operated units

EVOLUTION OF MARKET SELECTION STRATEGY

DRIVING INCREDIBLE NEW UNIT ECONOMICS

OFF THE CHART!
Portillo's Chicagoland
 AUV: \$10.8M
 RLM: 31.1% **P**



Source: Internal data, public company filings

Note: Shake Shack figures approximate based on average weekly sales for domestic-company operated units; Portillo's AUV includes restaurants in the comparable restaurant base (unless where otherwise stated), including a restaurant that is owned by C&O of which Portillo's owns 50% of the equity; Portillo's Restaurant-Level Adjusted EBITDA margin includes restaurants in the comparable restaurant base (unless where otherwise stated), excluding C&O; Portillo's AUVs and Restaurant-Level Adjusted EBITDA margins are for the twelve months ended June 25, 2023.

SITE SELECTION MATTERS FOR A GROWTH CONCEPT
BUILD IT WHERE YOU KNOW THEY WILL COME



Chicagoland



- 1. Behind a mall
- 2. Difficult to access
- 3. Poor highway visibility



Chicago love!
\$11.3 mil
AUV⁽¹⁾

Non-Chicago Markets



- 1. Great co-tenancy
- 2. Great visibility
- 3. Great access

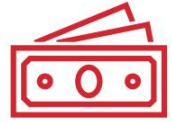
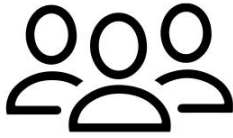


Attractive site
\$9.0 mil
AUV⁽¹⁾

(1) AUV is for TTM Q2 2023

GREAT OPENINGS MATTER FOR A GROWTH CONCEPT
MATCHING CAPABILITY TO DEMAND

Portillo's



Portillo's
experienced
Managers



NRO Playbook
matches capability
with **demand**



Happier guests &
Team Members
from Day 1



Accelerated
financial
returns

GREAT OPENINGS MATTER FOR A GROWTH CONCEPT

MATCHING CAPABILITY TO DEMAND

.....



Portillo's
experienced
Managers



NRO Playbook
matches capability
with demand



Happier guests &
Team Members
from Day 1



Accelerated
financial
returns



Class of 2023: 100%
Class of 2024: 100%



Smaller, agile teams
enable efficiency
and reduce cost



No "big bang"
openings

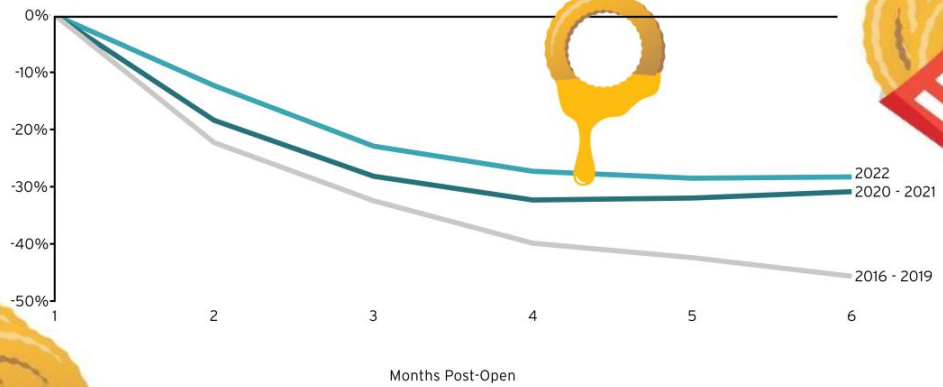


Shorter wait until
steady-state

CLASS OF 2022 VALIDATING STRATEGIC PRIORITIES FLATTENING HONEYMOON CURVE



Percent of Month 1 Sales - (Non-Chicago Only)



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RETURNS MATTER FOR A GROWTH CONCEPT
OPTIMIZING THE SIZE OF THE BOX

Portillo's



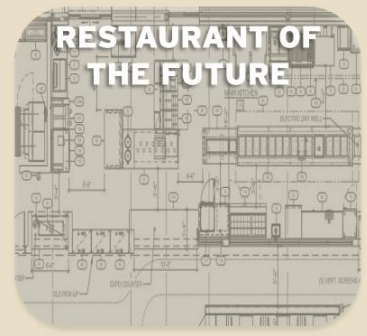
11,300 square feet

105 foot production line



7,700 square feet

65 foot production line



5,500-6,000 square feet

47 foot production line

OPTIMIZE THE BOX
WIDEN THE MINIMUM ACHIEVABLE MARKET

Full Scale U.S. Restaurants (IPO)

600



~12%
PENETRATION

OPTIMIZE THE BOX
WIDEN THE MINIMUM ACHIEVABLE MARKET

Portillo's

Full Scale U.S. Restaurants (IPO)

Full Scale U.S. Restaurants (2023)

600



800



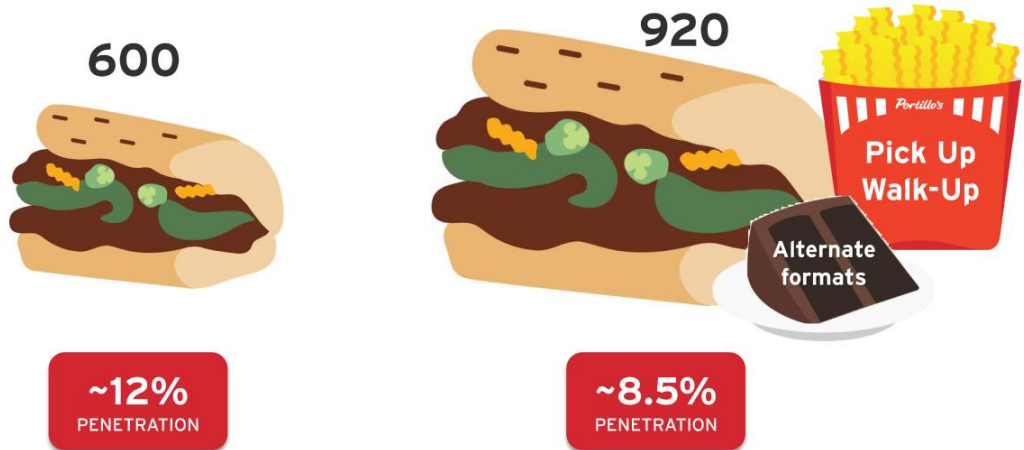
~12%
PENETRATION

TRADITIONAL RESTAURANTS
WILL ALWAYS BE THE MEAT OF THE BUSINESS

Portillo's

Full Scale U.S. Restaurants (IPO)

Total U.S. Restaurants (2023)



DEVELOPING SHAREHOLDER VALUE

.....

Portillo's

- 1** New unit growth **key driver** of PTLO valuation
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- 4** **De-risking** restaurant openings **sustains strong new unit economics**
- 5** **Optimized footprint improves returns and widens minimum achievable market (MAM)**





Developing Future Growth

Mike Ellis | Chief Development Officer

Arlington, TX

DEVELOPING FUTURE GROWTH

.....

- 1 Scale the **pipeline**, scale the brand
- 2 **Fortifying** the development cycle cements transition from regional to **national brand**
- 3 **Aggressive site prospecting** to **approach scale** in new markets **within 2-3 years**
- 4 Prioritize sites with **external traffic drivers**
- 5 Leveraging **standardized, scalable processes** in construction to **efficiently manage simultaneous builds**



SCALE THE PIPELINE, SCALE THE BRAND

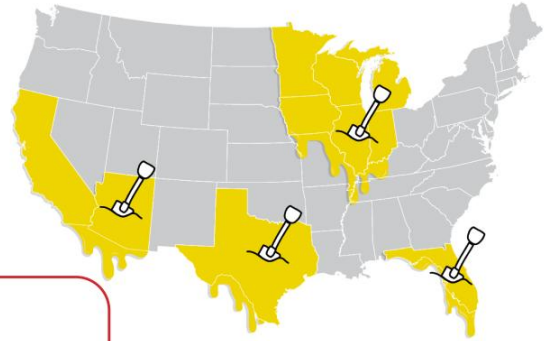
Portillo's



**CREATE ROBUST
REAL ESTATE PIPELINE**



**BUDGET FOR 18-MONTH CYCLE
TIME FROM APPROVAL TO OPEN**



Benefits

Advanced Visibility for Operations and People Teams

Ability to "Slot" Restaurant Opening

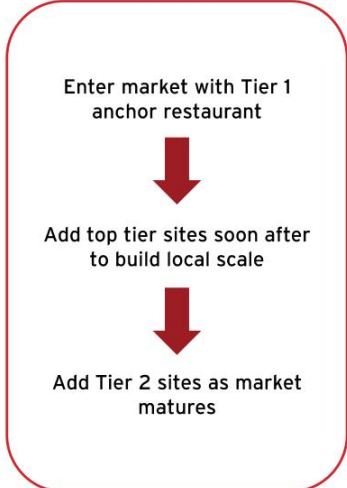
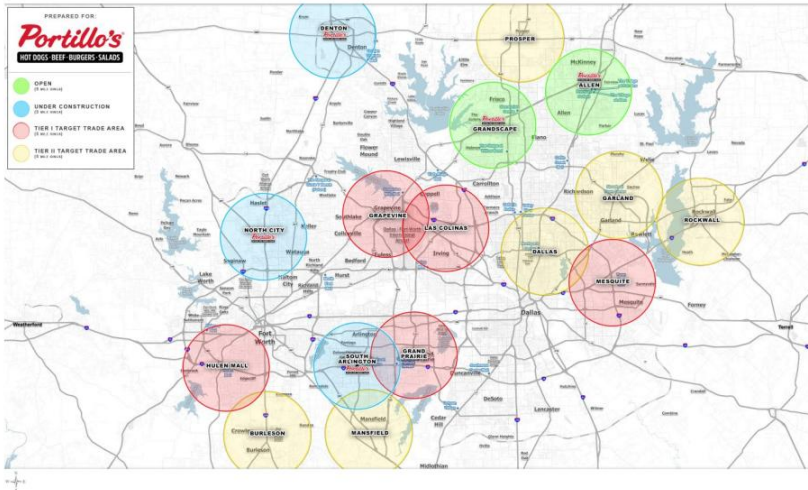
Protects Against Delays



FORTIFYING THE DEVELOPMENT PROCESS
REPLICABLE, SCALABLE



REPLICABLE NEW FRONTIER STRATEGY



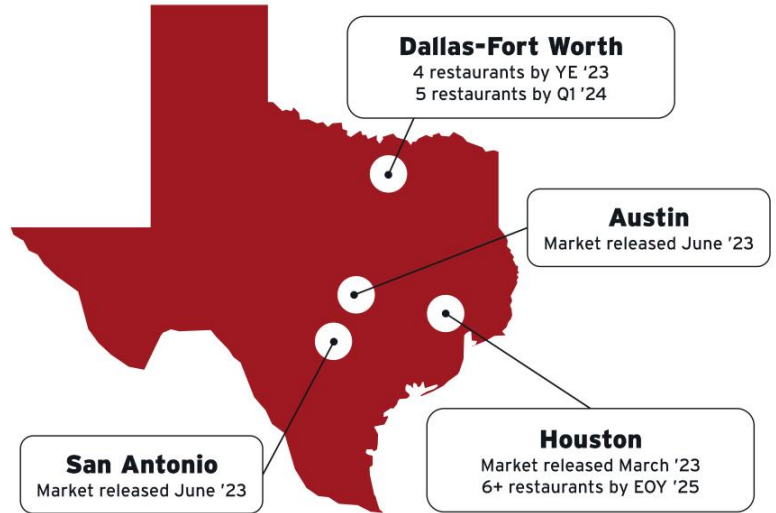
DATA-DRIVEN MARKET SELECTION
EXPERIENCE-DRIVEN EXECUTION

Quantitative

- ✓ Population Growth
- ✓ Portillo's Shop & Ship Orders
- ✓ Personal Income Per Capita

Market Factors

- ✓ Topography / Ease-of-Build
- ✓ Potential Sites in Market
- ✓ Proximity to Existing Markets




DEVELOPMENT DENSITY AND SITE AVAILABILITY

DRIVE ADVANCED PLANNING AND SPEED OF SCALE

.....


Goal: Approach Minimum Efficient Scale in New Markets in 24 - 36 months after first open

SHORT-TERM: SCALING SUNBELT
Macro Tailwinds
Strong Retail Growth



Achieve minimum efficient scale (6+ restaurants) in DFW, Houston, & Central Florida by EOY 2025

MEDIUM-TERM: NEW MARKETS
Macro Tailwinds
Developed Trade Areas with Fewer Sites Available



Leverage local brokers with national brand experience for intelligence on site availability

Simultaneous Focus

SELECTING SITES THAT DRIVE VOLUME

- SITE-SPECIFIC CRITERIA OUTER MARKET**
- 1 Traffic Generators
 - 2 Visibility
 - 3 Accessibility
 - 4 Drive Thru + Parking
 - 5 Retail & Competitor Performance



- GILBERT, ARIZONA (MARCH 2023) CASE STUDY**
- 1 1.1M sq ft of development; anchored by national retailers
 - 2 Excellent visibility from street with panel on shared pylon
 - 3 Two full access points off main road
 - 4 Sufficient car stacking in drive thru and 118 car parks
 - 5 National brands exceed AUVs



Projected \$8.4M Volume Y1

LEVERAGING SCALABLE PROCESSES

HOLDING ACCOUNTABILITY OVER SIMULTANEOUS BUILDS

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ACTION




- 1 Standardize leases and deal structures
- 2 Leverage national GCs and vendors
- 3 Standardize base of prototypes

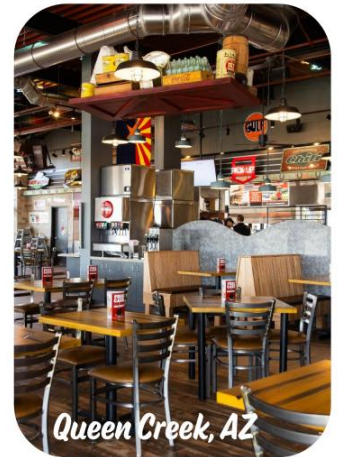
RESULT

- 1 Faster, simplified process
- 2 Ensure capacity for multiple projects and competitive pricing
- 3 Lower fees and construction costs, plus faster build



DEVELOPMENT OUTLOOK
 IMPROVING PACE UNLOCKS GROWTH

| | 2024 | 2025 | 2026 |
|--|-------------------|-----------------------|-------------------------------|
|  Restaurant Unit Growth | ~10% + | ~12% + | ~12-15% |
|  Market Focus | Sunbelt | Sunbelt + New Markets | Sunbelt Fill-In + New Markets |
|  Opening Cadence | 50% 1H, 50% 2H | 100% Pre-November | 100% Pre-November |



DEVELOPING FUTURE GROWTH

.....

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- 4** Prioritize sites with **external traffic drivers**
- 5** Leveraging **standardized, scalable processes** in construction to **efficiently manage simultaneous builds**



Opening with Excellence

Derrick Pratt | Chief Operating Officer



Portillo's



OPENING WITH EXCELLENCE

.....

- 1** De-risking pre- and post-opening processes strengthens new unit sustainability
- 2** Shaping demand in new markets smooths big bang openings
- 3** Ongoing focus on operations changes the shape of historical honeymoon curve
- 4** New Restaurant Opening (NRO) Team built for expanded pipeline and simultaneous openings



OPERATIONAL EXCELLENCE DE-RISKS NROS AT EVERY STAGE



Pre-Opening Processes

- Instilling Portillo's culture in every new market
- Pipeline of GMs/AGMs learn from an intense NRO

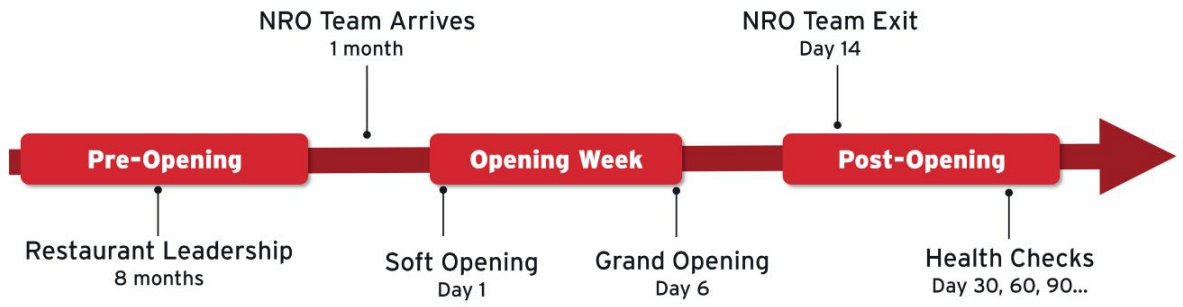
Opening Processes

- Trained to build efficiency and confidence
- Soft vs. "big bang" grand openings

Post-Opening Processes

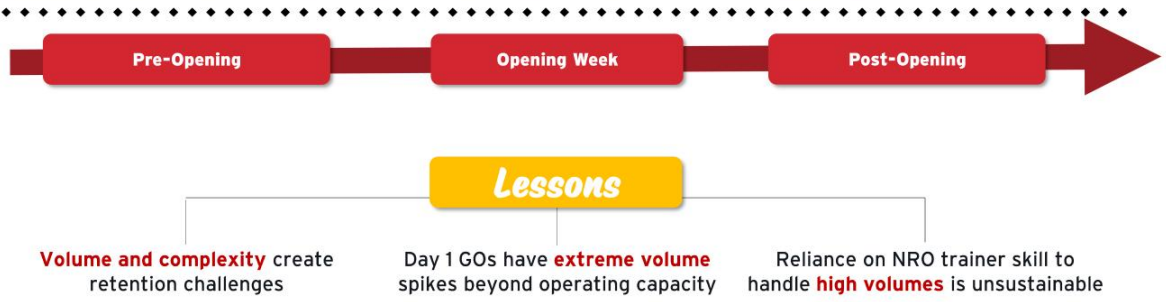
- Fading support from the NRO "Red Hats"
- Operational health checks at set intervals

LESSONS FROM THE PAST SHAPED THE NRO TIMELINE

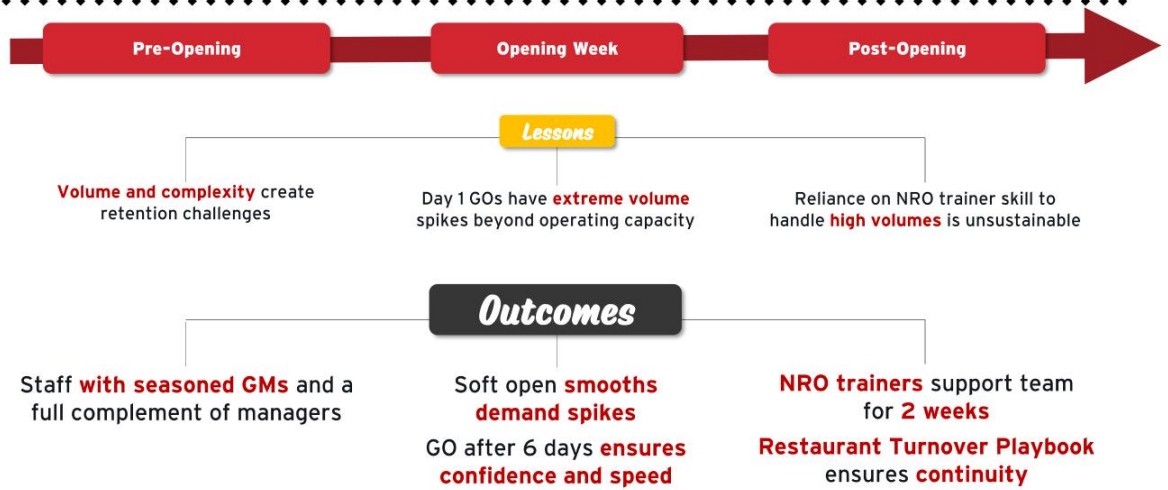


LESSONS FROM THE PAST SHAPED THE NRO TIMELINE

Portillo's



LESSONS FROM THE PAST SHAPED THE NRO TIMELINE



PRE-OPENING: SEASONING THE GM PIPELINE



ACCELERATED LEADERSHIP DEVELOPMENT PROGRAM

300+ TMs flagged for future management



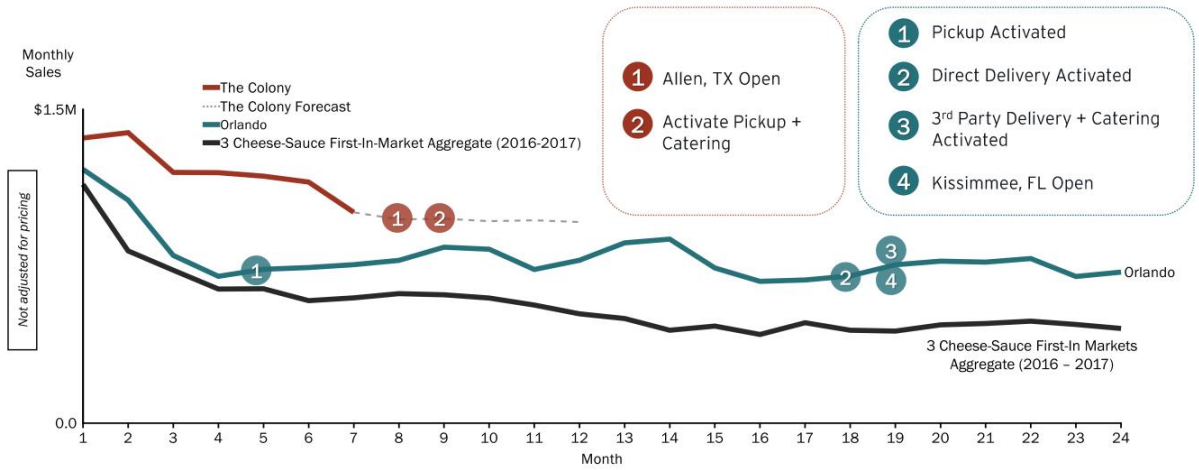
First in Market Restaurant Seeds Talent for Local Area



OPENING WEEK: MATCHING CAPABILITY TO DEMAND



SHAPING DEMAND IN NEW MARKETS FLATTENS HONEYMOON CURVE

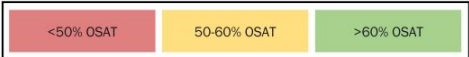


POST-OPENING: SMOOTHING THE DEMAND CURVE



Non-Chicagoland Overall Satisfaction (OSAT) by Class since 2016

| YEAR | 30-day % Highly Satisfied (OSAT) | 90-day % Highly Satisfied (OSAT) | 1-year % Highly Satisfied (OSAT) |
|-------------|----------------------------------|----------------------------------|----------------------------------|
| 2016 - 2019 | 57% | 57% | 61% |
| 2020 - 2021 | 52% | 56% | 65% |
| 2022 | 65% | 67% | - |



NRO TEAM DESIGNED TO TACKLE SIMULTANEOUS OPENINGS *Portillo's*

Leadership

Rounded out NRO leadership with one more GM

Trainers

50 Red Hats

Flexibility

Flex trainers (CC and TM) available in key growth markets



NRO Team can comfortably execute 3-4 simultaneous openings;
Current capabilities allow us to open 20-30 restaurants/year

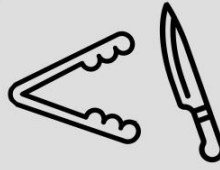
SOURCES OF FUTURE NRO EFFICIENCY

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Hiring Timeline

- Speed TM hiring from 4 to 3 weeks
- Lower risk of early turnover



Training Centers

- Establish near first-in-market NROs
- Train near home
- Mitigate unexpected delay issues



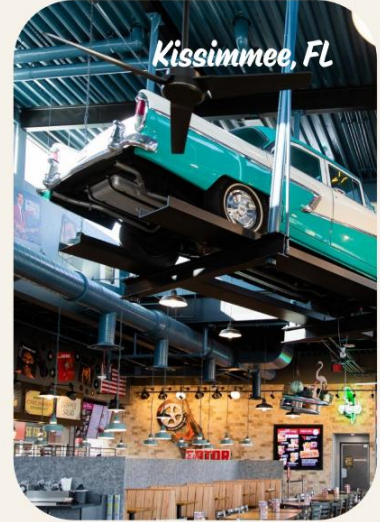
Kitchen '23

- Optimal footprint reduces conveyance
- Efficient workstations
- Easier to train

OPENING WITH EXCELLENCE

.....

- 1 **De-risking** pre- and post-opening **processes** **strengthens** new unit **sustainability**
- 2 **Shaping demand** in new markets **smooths** big bang openings
- 3 Ongoing focus on operations **changes the shape** of historical **honeymoon curve**
- 4 New Restaurant Opening (NRO) Team **built** for **expanded pipeline** and **simultaneous** openings





Portillo's

Springfield, IL



Restaurant of the Future (ROF)

Nick Scarpino | SVP, Marketing & Off-Premise Dining

ADENT
LATE
SHAKE

SUPER
CHEESE
BURGERS

Chili

LIAN
ISAGE

COMBO

DELICIOUS
ITALIAN

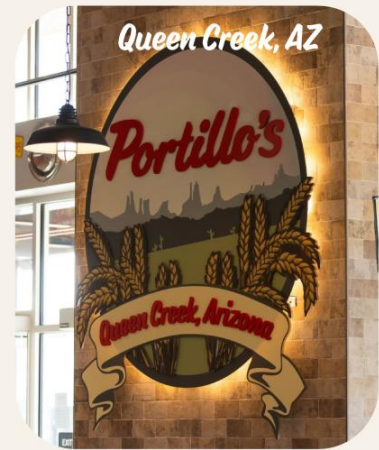
Why not add some
CHEESE FRIES

PORTILLO'S BUNGL
CHICKEN

RESTAURANT OF THE FUTURE: OPTIMIZING OUR BUILD

Portillo's

- 1 Creating a restaurant for **how guests use** Portillo's **today... and tomorrow**
- 2 Optimizing footprint for **national expansion**, while **reducing overall build cost**
- 3 Improving **efficiency** without constraining sales
- 4 Forming an **improved experience** for **guests, Team Members, and shareholders**



Stage 1: Retrofits

Simplify and Modernize Existing Restaurant Base

- 1 Salad bowl & beer relocation in-line
- 2 Grab & Go install
- 3 Self-serve beverage

Scope: ~40 Retrofits '23 & '24



IMPACT OF STAGE 1: RETROFITS



REVENUE

24 Percentage Points

incremental dine-in desserts & bottled water comp

9 Percentage Points

incremental dine-in fountain drink comp



TEAM MEMBER EXPERIENCE

Enhanced ability to focus on **pickup execution**

Reduced conveyance in off-premise salad



GUEST EXPERIENCE

3 Percentage Points

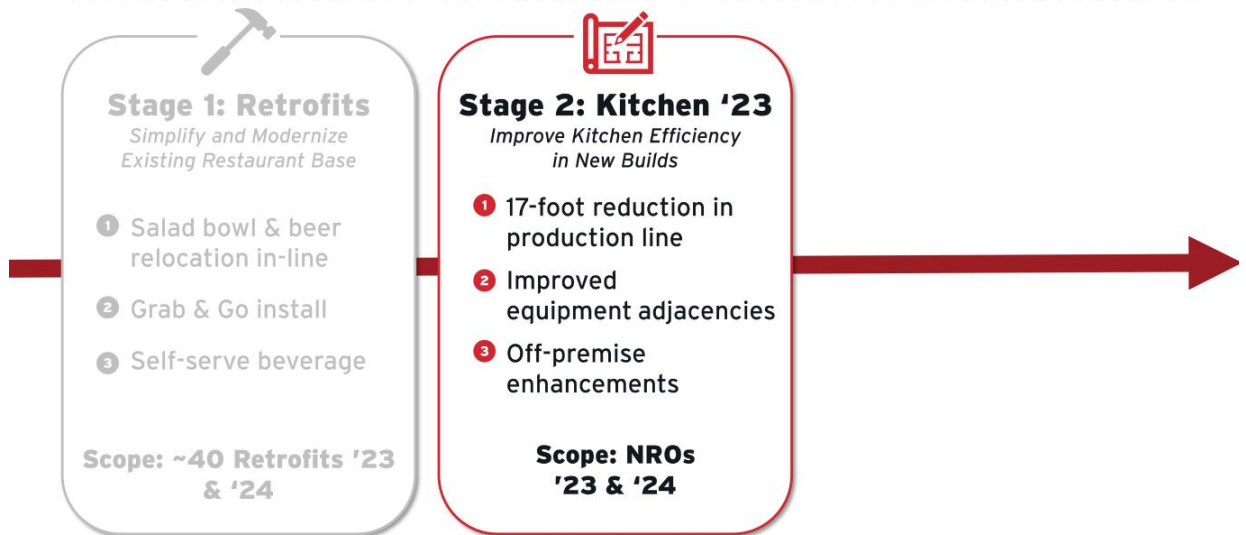
improvement in dine-in satisfaction



Note: All data based on a sample of 5 restaurants with completed retrofits

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RESTAURANT OF THE FUTURE: TIMELINE AND STAGING



STAGE 2: KITCHEN '23 NROS

.....

REDUCED:

1. Production line by **17 ft**
2. Equipment cost by **\$100K**
3. Staffing needs by **2** TMs per day

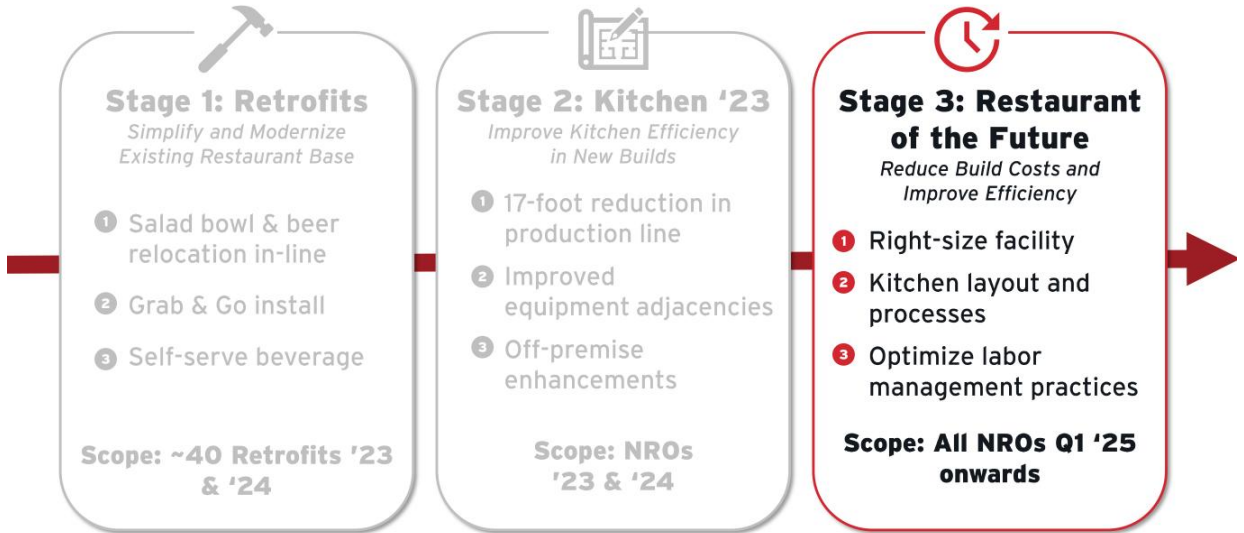


IMPROVED:

1. Production capacity
2. Equipment positioning & adjacencies
3. Service to off-premise guests



RESTAURANT OF THE FUTURE: TIMELINE AND STAGING



STAGE 3: RESTAURANTS OF THE FUTURE

NOTABLE CHANGES

| From (Kitchen '23): | To: |
|-------------------------|------------------------------|
| 7,700 sq. ft. facility | 5,500-6,000 sq. ft. facility |
| 120 parking spaces | 85-100 parking spaces |
| 34 peak Team Members | 27-32 peak Team Members |
| 65 foot production line | 47 foot production line |
| 210 seats | 140-170 seats |

KEY BENEFITS

-  Maintain AUV capacity
-  Greater site availability
-  Lower build cost
-  Increase operating speed & guest satisfaction
-  More efficient labor deployment

Note: Numbers and ranges are rounded

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Portillo's

Minimum Achievable Market

Garrett Kern | VP, Strategy & Culinary



Chicago (Addison & Kimball), IL

ADDRESSABLE MARKET: TO 900 AND BEYOND

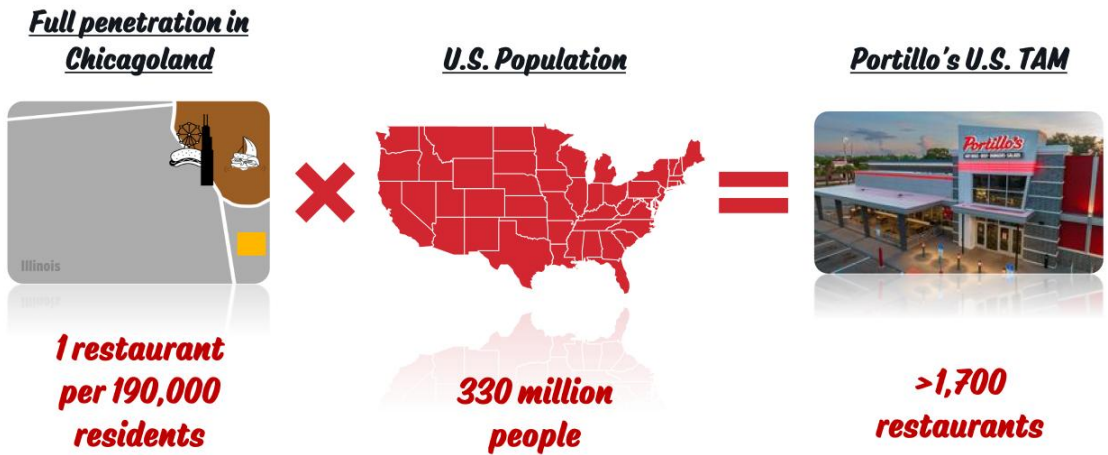
Portillo's

- 1 Total Addressable Market in U.S. vs. **Minimum Achievable Market** in U.S.
- 2 Expanded opportunity for **full scale Portillo's restaurants**
- 3 **Pick Up, Walk-Up, and alternate formats** expand Portillo's reach
- 4 **A runway and strategy** for market penetration



PORTILLO'S TOTAL ADDRESSABLE MARKET
MORE THAN 1,700 RESTAURANTS

Portillo's



Note: U.S. Population is sourced from the U.S. Census Bureau, Population Division
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MINIMUM ACHIEVABLE MARKET IS A MORE SCIENTIFIC ESTIMATE

Total Addressable Market (TAM)



Strictly population-based



Does not account for population density or demographics



Does not restrict ability to build restaurants next-door to each other

1,700 U.S. locations

Minimum Achievable Market (MAM)



Identifies markets based on macroeconomic and Portillo's specific criteria



Categorizes restaurants into different types based on sales potential and population density



Pinpoints potential addresses optimized for consumer traffic and trade area overlap

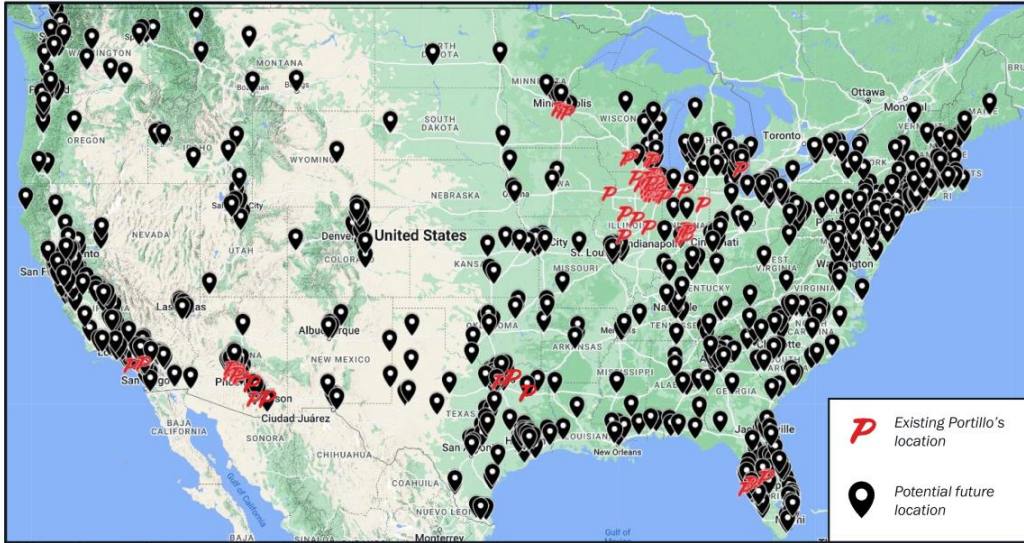
920 U.S. locations

8.5%

Penetration Today



MINIMUM ACHIEVABLE MARKET IN U.S.
900+ LOCATIONS



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A HIGH CEILING FOR FULL SCALE RESTAURANTS

AIDED BY RESTAURANT OF THE FUTURE

Full Scale Portillo's Restaurants



- Drive Thru ✓
- Dine-In ✓
- Takeout ✓
- Delivery/Pickup ✓
- Sales Capacity \$8-12M+
- Size 5,500-6,000 sq ft



Key Inputs

- \$7M+ in projected annual sales in year 3 onward
- Site-specific trade areas
- 3% or less overlap in trade areas between restaurants

DRIVING INTO THE FUTURE WITH PORTILLO'S PICK UP
 THAT WE'RE ALREADY BUILDING TODAY



Portillo's Pick Up Restaurants



- Drive Thru** ✓
- Dine-In**
- Takeout** ✓
- Delivery/Pickup** ✓
- Sales Capacity** \$6-8M
- Size** ~3,000-3,500 sq ft



Joliet, IL

Key Inputs

- Only in MSAs with 6-8 or more full scale Portillo's
- \$4M+ in projected annual sales in year 3 onward

PORTILLO'S COMING TO A DOWNTOWN NEAR YOU

URBAN WALK-UPS FOR THE DENSEST URBAN CENTERS



Urban Walk-Up Restaurants



Drive Thru
Dine-In
Takeout
Delivery/Pickup
Sales Capacity
Size



Key Inputs

- Only in MSAs with 6-8 or more full scale Portillo's
- In densest urban trade areas

✓
✓
✓
\$8-12M+
~3,500 sq ft

PORTILLO'S COMING TO A DOWNTOWN NEAR YOU
URBAN WALKUPS FOR THE DENSEST URBAN CENTERS



Urban Walk-Up Restaurants



Raising Cane's NYC Times Square



Chick-fil-A NYC Times Square

- Drive Thru*
- Dine-In*
- Takeout*
- Delivery/Pickup*
- Sales Capacity*
- Size*

- ✓
- ✓
- ✓
- \$8-12M+
- ~3,500 sq ft

Key Inputs

- Only in MSAs with 6-8 or more full scale Portillo's
- In densest urban trade areas

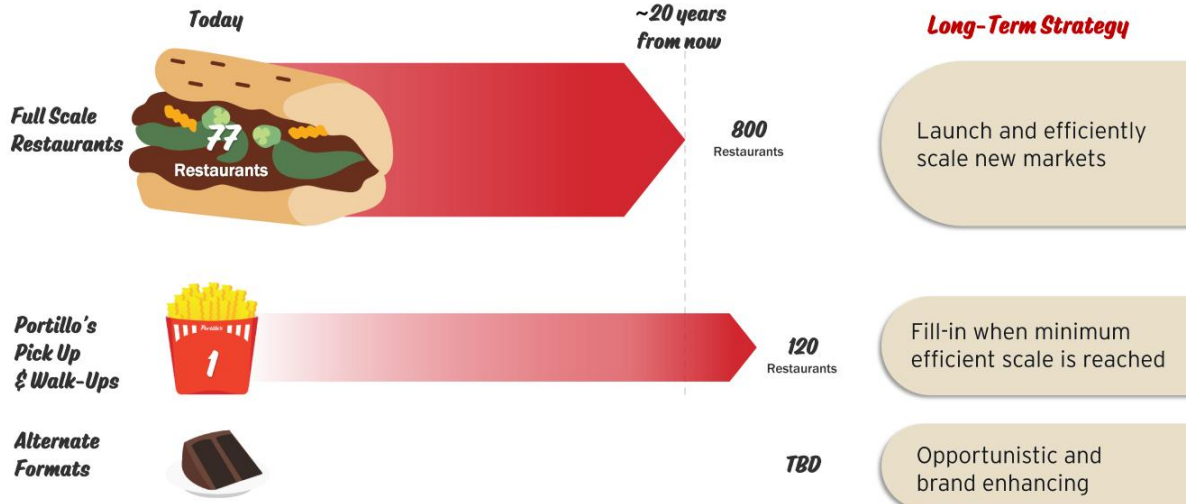
WITH A SIDE OF INNOVATIVE, ALTERNATE FORMATS
AIRPORTS, CAMPUSES, AND ACROSS THE POND

Alternate Formats



Note: Pictures from Chick-Fil-A website, CNN business
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READY...SET...BUILD!
 LAYERING IN AS WE GROW



Note: 77 full-scale restaurants includes C&O of which Portillo's owns 50% of the equity.
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ADDRESSABLE MARKET: TO 900 AND BEYOND

Portillo's

- 1 Total Addressable Market in U.S. vs. **Minimum Achievable Market** in U.S.
- 2 Expanded opportunity for **full scale Portillo's restaurants**
- 3 **Pick Up, Walk-Up, and alternate formats** expand Portillo's reach
- 4 A **runway and strategy** for market penetration





Developing Future Value

Michelle Hook | Chief Financial Officer

**order
here**

Sterling Heights, MI

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DEVELOPING FUTURE VALUE

.....

- 1 Profitable restaurant development **key driver** of **compounding growth**
- 2 Generating **attractive returns** through **self-funded growth**
- 3 **Higher Class** of 2022 unit economics **validating** development strategy
- 4 **Restaurant of the Future** solidifying foundation for **enhanced returns**



UNIT GROWTH KEY DRIVER OF VALUE CREATION

**2021 IPO
LONG-TERM GROWTH ALGORITHM**



(1) We are unable to reconcile the long-term outlook for Adjusted EBITDA growth to net income (loss), the corresponding U.S. GAAP measure, due to variability and difficulty in making accurate forecasts and projections and because not all information necessary to prepare the reconciliation is available to us without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information because we cannot accurately predict all of the components of the adjusted calculations and the non-GAAP measure may be materially different than the GAAP measure.

**UPDATED TARGETS REFLECT CONFIDENCE
IN STRATEGIC DIRECTION**

Current
LONG-TERM GROWTH ALGORITHM

UNIT GROWTH
12%-15%

**SAME
RESTAURANT
SALES**
Low single digits

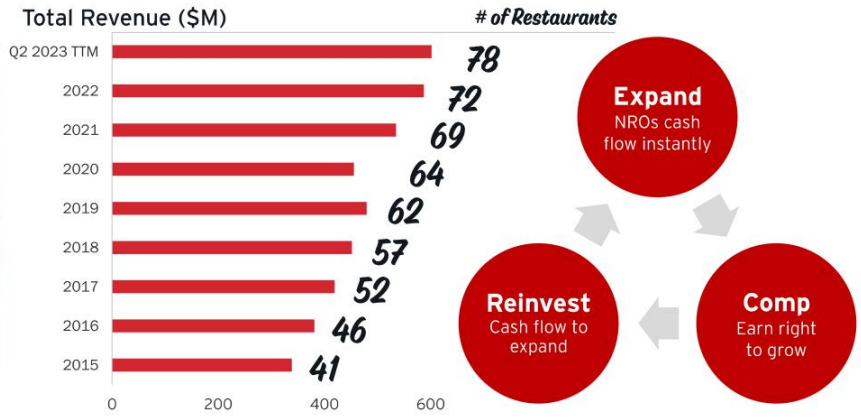
**REVENUE
GROWTH**
Mid teens

**ADJ. EBITDA
GROWTH⁽¹⁾**
Low teens



(1) We are unable to reconcile the long-term outlook for Adjusted EBITDA growth to net income (loss), the corresponding U.S. GAAP measure, due to variability and difficulty in making accurate forecasts and projections and because not all information necessary to prepare the reconciliation is available to us without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information because we cannot accurately predict all of the components of the adjusted calculations and the non-GAAP measure may be materially different than the GAAP measure.

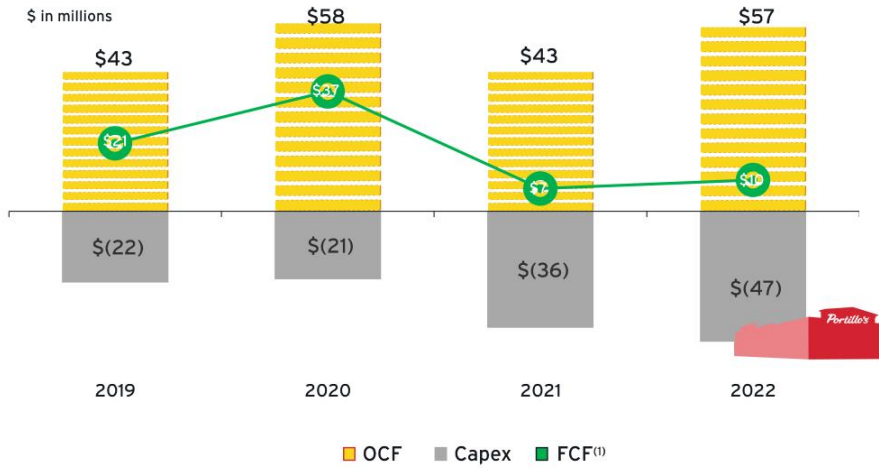
COMPOUNDING GROWTH THROUGH NROS



Note: Total revenue excludes new restaurants in Allen, TX and Queen Creek, AZ, and a restaurant that is owned by C&O Chicago, LLC ("C&O"), of which Portillo's owns 50% of the equity. The number of restaurants reflects new restaurants and includes a restaurant that is owned by C&O.

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STRONG CASH FLOW SELF-FUNDS GROWTH



HIGHLIGHTS

- Maintenance capex averages 10-15% of total capex
- Growth capex reinvests cash flow for new restaurants

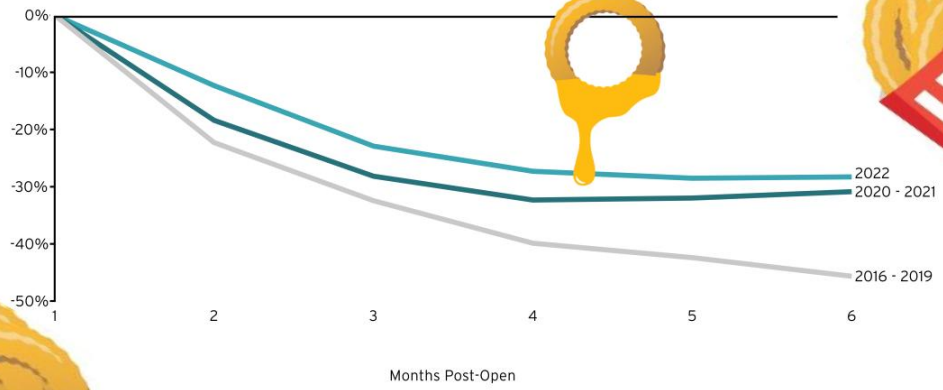
(1) See appendix for a reconciliation to the most directly comparable financial measure stated in accordance with GAAP
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CLASS OF 2022 VALIDATING STRATEGIC PRIORITIES

FLATTENING HONEYMOON CURVE



Percent of Month 1 Sales - (Non-Chicago Only)



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CLASS OF 2022 OUTPERFORMANCE VALIDATES STRATEGIC PIVOT

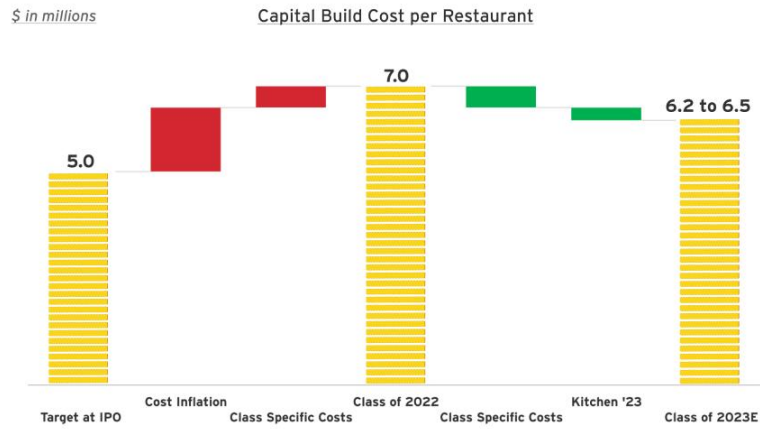
Portillo's

| <i>\$ in millions</i> | Targeted Year 3 Returns at IPO (2021) | Class of 2022 Year 1 ⁽¹⁾ |
|-------------------------------------|---------------------------------------|-------------------------------------|
| AUV | \$5.8 | ~\$8.0 |
| AVG RL Adj. EBITDA ⁽²⁾ | \$1.3 | ~\$1.6 |
| RL Adj. EBITDA % ⁽²⁾ | 22% | ~20% |
| Buildout Costs ⁽³⁾ | \$4.5-5.0 | \$7.0 |
| Cash-on-Cash Returns ⁽⁴⁾ | 25% | ~23% (year 1) |

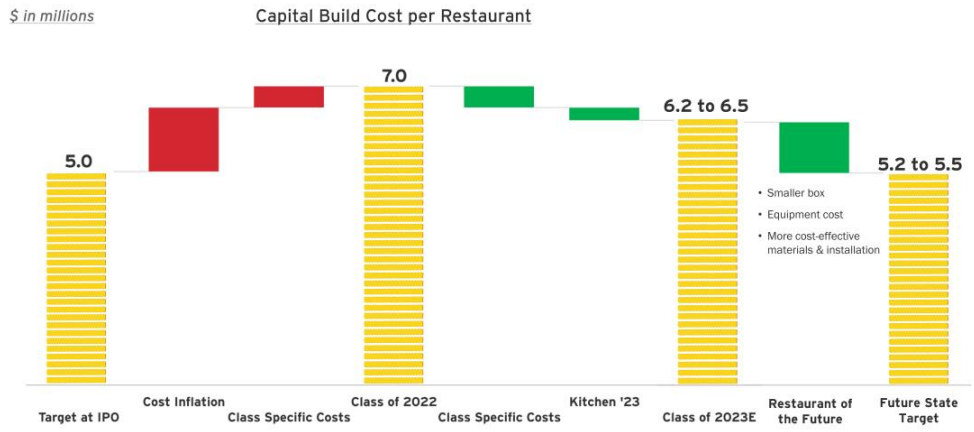


- (1) Portillo's current forecast for Year 1 of all Class of 2022 restaurants
- (2) We are unable to reconcile the Average Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin to the corresponding U.S. GAAP measure, due to variability and difficulty in making accurate forecasts and projections and because not all information necessary to prepare the reconciliation is available to us without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information because we cannot accurately predict all of the components of the adjusted calculations and the non-GAAP measure may be materially different than the GAAP measure.
- (3) Shown as net of tenant allowance and excludes pre-opening expenses.
- (4) Our new unit economic targets are hypothetical and prepared based on a number of management assumptions. Figures represent target average of all restaurants built in a given year. While we believe these assumptions are reasonable, there can be no assurance that our new unit economic targets will be achieved by the third year of operation or at all. These assumptions are inherently uncertain and subject to a wide variety of risks. Inclusion of these targets is not a guarantee that such targets will be achieved and should not be considered a prediction of future returns.

BUILD COST: OVERCOMING RECENT INFLATION



PATH TO RESTAURANT OF THE FUTURE



UPDATED UNDERWRITING EXPECTATIONS

| <i>\$ in millions</i> | Targeted Year 3 Returns at IPO (2021) | Updated Year 3 Underwriting Expectations | Future Potential Year 3 Underwriting Expectations |
|---|--|---|--|
| AUV | \$5.8 | \$7.3-7.5 | \$7.3-7.5 |
| AVG RL Adj. EBITDA ⁽¹⁾ | \$1.3 | \$1.6 | \$1.6 |
| RL Adj. EBITDA % ⁽¹⁾ | 22% | 22% | 22% |
| Buildout Costs ⁽²⁾ | \$4.5-\$5.0 | \$6.2-\$6.5 | \$5.2-\$5.5 |
| Cash-on-Cash Returns⁽³⁾ | 25% <i>(year 3)</i> | 25% <i>(year 3)</i> | 28-31% <i>(year 3)</i> |

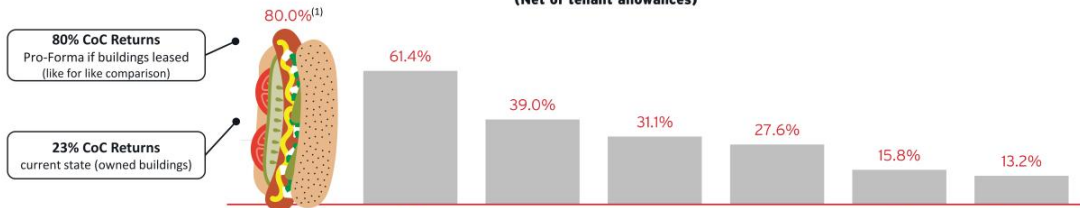


- (1) We are unable to reconcile the Average Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin to the corresponding U.S. GAAP measure, due to variability and difficulty in making accurate forecasts and projections and because not all information necessary to prepare the reconciliation is available to us without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information because we cannot accurately predict all of the components of the adjusted calculations and the non-GAAP measure may be materially different than the GAAP measure.
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CLASS OF 2022 RETURNS COMPARE FAVORABLY
COMPARING TO PEER RETURNS ON LIKE-FOR-LIKE BASIS



2022 CASH-ON-CASH RETURNS
 (Net of tenant allowances)



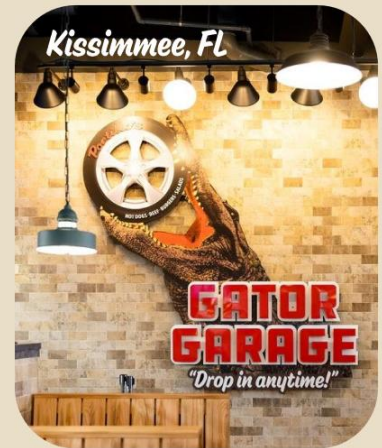
| | Portillo's | | | | | | | |
|-------------------------------|---------------|------------------|-------|-------|-------|-------|-------|--------|
| | Current State | Leased Pro-Forma | | | | | | |
| Buildout Cost | \$7.0 | \$1.5 | \$1.1 | \$1.3 | \$1.2 | \$2.4 | \$6.9 | \$10.8 |
| Net Sales (AUV) | \$8.0 | \$8.0 | \$2.8 | \$2.4 | \$2.0 | \$3.8 | \$7.0 | \$11.8 |
| Occupancy | \$0.4 | \$0.8 | \$0.2 | \$0.2 | \$0.2 | \$0.3 | \$0.1 | - |
| RL ADJ. EBITDA ⁽²⁾ | \$1.6 | \$1.2 | \$0.7 | \$0.5 | \$0.4 | \$0.7 | \$1.1 | \$1.4 |

(1) Portillo's bar shows recent per store averages, includes all units opened 2015 or later. The sale leaseback conversion removes 67.5% of Portillo's buildout cost associated with Portillo's owning its buildings and adds \$97.5k / year in occupancy (reflective of those buildout costs being reflected as rent at a 6.5% cap rate). This allows for a more apples-for-apples comparison with Shake Shack and Cheesecake Factory, for example, neither of whom owns its buildings.
 (2) We are unable to reconcile our Restaurant Level Adjusted EBITDA and Restaurant Level Adjusted EBITDA Margin to the corresponding U.S. GAAP measure, due to variability and difficulty in making accurate forecasts and projections and because not all information necessary to prepare the reconciliation is available to us without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information because we cannot accurately predict all of the components of the adjusted calculations and the non-GAAP measure may be materially different than the GAAP measure.
 Note: The Company currently discloses buildings within leasehold improvements.
 Source: Internal data, public company filings.

DEVELOPING FUTURE VALUE

.....

- 1 Profitable restaurant development **key driver** of **compounding growth**
- 2 Generating **attractive returns** through **self-funded growth**
- 3 **Higher** Class of 2022 unit economics **validating** development strategy
- 4 **Restaurant of the Future** solidifying foundation for **enhanced returns**



Q&A



Allen, TX

DEVELOPING SHAREHOLDER VALUE

.....

Portillo's®

- 1 New unit growth **key driver** of PTLO valuation
- 2 **Accelerating profitable** unit growth through development discipline
- 3 **Strategic revamp** of market and site selection driving **attractive early results**
- 4 **De-risking** restaurant openings **sustains strong new unit economics**
- 5 **Optimized footprint improves returns** and **widens minimum achievable market (MAM)**



Appendix

Portillo's



Queen Creek, AZ

RESTAURANT-LEVEL ADJUSTED EBITDA DEFINITIONS

Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin

Restaurant-Level Adjusted EBITDA is defined as revenue, less restaurant operating expenses, which include food, beverage and packaging costs, labor expenses, occupancy expenses and other operating expenses. Restaurant-Level Adjusted EBITDA excludes corporate level expenses, pre-opening expenses and depreciation and amortization on restaurant property and equipment. Restaurant-Level Adjusted EBITDA Margin represents Restaurant-Level Adjusted EBITDA as a percentage of revenue.

How These Measures Are Useful

We believe that Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin are important measures to evaluate the performance and profitability of our restaurants, individually and in the aggregate. Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin have limitations as analytical tools and should not be considered as a substitute for analysis of our results as reported under GAAP.

Limitations of the Usefulness of This Measure

Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin are not required by, nor presented in accordance with GAAP. Rather, Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin are supplemental measures of operating performance of our restaurants. You should be aware that Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin are not indicative of overall results for the Company, and Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures. In addition, our calculations thereof may not be comparable to similar measures reported by other companies.



RESTAURANT-LEVEL ADJUSTED EBITDA RECONCILIATION



| | LTM |
|---|---------------|
| | June 25, 2023 |
| Operating Income | \$ 42,903 |
| General and administrative expenses | 74,153 |
| Pre-opening expenses | 6,355 |
| Depreciation and amortization | 22,004 |
| Net Income attributable to equity method investment | (1,273) |
| Other income, net | (453) |
| Restaurant-Level Adjusted EBITDA | \$ 143,689 |
| Restaurant-Level Adjusted EBITDA Margin (1) | 22.9 % |

(1) Restaurant-Level Adjusted EBITDA Margin is defined as Restaurant-Level Adjusted EBITDA divided by Revenues, net

FREE CASH FLOW RECONCILIATION



| | Fiscal Year Ended | | | |
|---|-------------------|-------------------|-------------------|-------------------|
| | December 25, 2022 | December 26, 2021 | December 27, 2020 | December 29, 2019 |
| Cash flows provided by operating activities | \$ 56,889 | \$ 42,874 | \$ 58,271 | \$ 43,325 |
| Capital expenditures | (47,061) | (36,183) | (21,452) | (22,045) |
| Free cash flow | \$ 9,828 | \$ 6,691 | \$ 36,819 | \$ 21,280 |

