

# Portillo's®

Piper Sandler Growth Frontiers Conference  
September 11, 2024



# CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS & NON-GAAP MEASURES

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 relating to the economy and financial markets, including inflation, fluctuating interest rates, stock market activity, or other factors;
- the impact of unionization activities of our Team Members on our reputation, operations and profitability;
- risks associated with our reliance on certain information technology systems, including our new enterprise resource planning system, 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 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;
- inability to achieve our growth strategy, such as the availability of suitable new restaurant sites in existing and new markets and opening of new restaurants at the anticipated rate and on the anticipated timeline;
- the impact of consumer sentiment and other economic factors on our sales;
- increases in food and other operating costs, tariffs and import taxes, and supply shortages; 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 presentation in the context of the risks and uncertainties disclosed in the Company's most recent Annual Report on Form 10-K, filed with the SEC. All of the Company's SEC filings are available on the SEC's website at [www.sec.gov](http://www.sec.gov). The forward-looking statements included in this press release 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.

This presentation includes certain non-GAAP measures as defined under SEC rules, including Adjusted EBITDA, Adjusted EBITDA Margin, Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin. Reconciliations and definitions are included in the Appendix to this presentation.

# PORTILLO'S AT A GLANCE

- 1 Something craveable for everyone
- 2 Experiential, differentiated dining
- 3 Available any way you want it
- 4 Measurably obsessed fans
- 5 Unmatched value in Fast Casual
- 6 Incredible unit economics
- 7 Growing faster and farther than ever
- 8 Distinct and focused market strategies



NEW! SALTED CARAMEL  
SPICE CAKE &  
SALTED CARAMEL SPICE  
CAKE SHAKE

# SOMETHING TRULY CRAVEABLE FOR EVERYONE



Italian Beef Sandwich



Hot Dogs



Crinkle-cut French Fries



Maxwell Street Polish



Charbroiled Cheeseburger



Milkshakes



Cake & Desserts

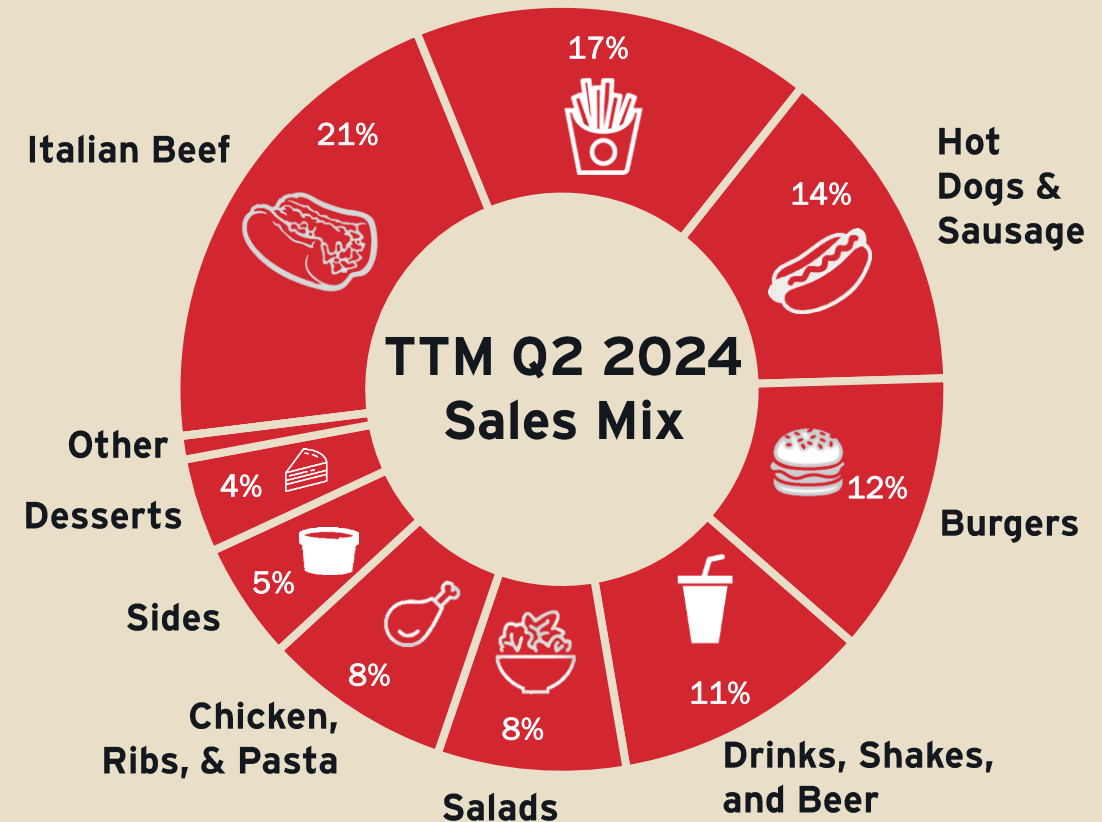


Spicy Chicken Sandwich



Chicken Pecan Salad

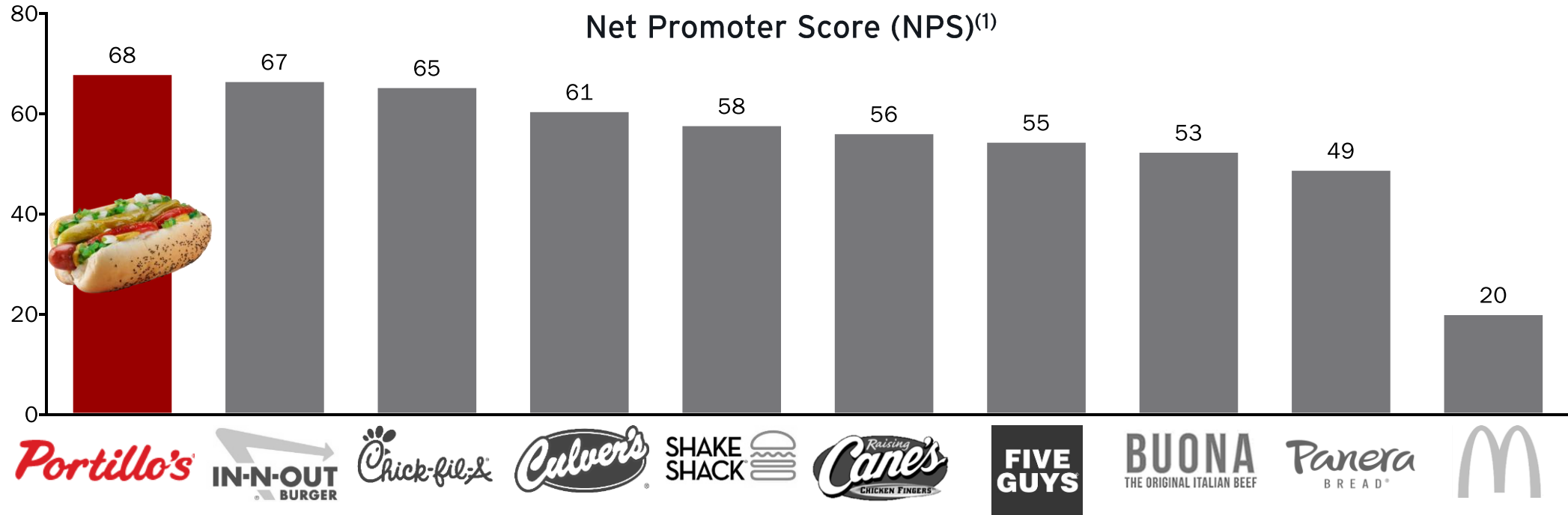
## Fries/Onion Rings



**\$670K+**  
PER RESTAURANT OF  
SALAD SALES

**CONSISTENT  
SALES MIX**  
ACROSS OUR GEOGRAPHIC  
FOOTPRINT

# MEASURABLY OBSESSED FANS



*"I go to Portillo's so much that my phone thinks I work there, and it tells me how long my commute will be every morning"*

*-@bejulled*



*"One time, I woke myself up saying my usual Portillo's order in my sleep."*

*-@elissaxrod*

(1) Net promoter score measures consumer enthusiasm and advocacy based on a single survey question. Scores shown from guests who indicate they visit each brand "regularly." Customer Experience Benchmarks (CXB) sourced using the Qualtrics platform via a proprietary benchmark survey fielded monthly. Results represent Q4 2023 to Q3 to-date 2024, for Portillo's operating geographies

# UNMATCHED VALUE IN FAST CASUAL



Portillo's doesn't prompt for tips, but these brands do...



sweetgreen



- Wreck Sandwich
- Chips + Drink

- Shackburger
- Fries
- Small Soft Drink

- Kale Caesar Salad with Chicken
- Spindrift Water

- Green Goddess Cobb Salad with Chicken
- Small Soft Drink

- Little Cheeseburger
- Little Fries
- Regular Drink

- Steak Burrito
- Chips
- Small Soft Drink

- Italian Beef
- Small Fries
- Small Soft Drink

\$13.58

\$15.47

\$16.70

\$16.88

\$17.37

In-Store  
\$15.15

**\$13.57**

*With suggested tip*

\$14.94

\$17.02

\$18.49

\$18.38

\$19.54

Delivery<sup>1</sup>  
\$22.12

Source: On-site visits at all brands except Chipotle

Note: Prices are from location in Elmhurst, IL or closest to Elmhurst, IL as of 9/1/2024. Prices with suggested tip are calculated based on the median tip option presented at the point of sale, if a tip is prompted. All prices exclude sales tax.

(1) Price reflected on brand's own delivery platform

# INCREDIBLE UNIT ECONOMICS

**1963**

FOUNDED

**OCT. 2021**

IPO DATE

**\$702M**

TTM Q2 2024  
REVENUE<sup>(3)</sup>

**\$9.0M**

TTM Q2 2024  
AVERAGE UNIT VOLUMES<sup>(1)</sup>

**\$30M**

TTM Q2 2024  
NET INCOME<sup>(3)</sup>

**\$58M**

TTM Q2 2024  
OPERATING INCOME<sup>(3)</sup>

**24.0%**

TTM Q2 2024  
RESTAURANT-LEVEL ADJ. EBITDA  
MARGIN<sup>(2)(3)</sup>

**\$105M**

TTM Q2 2024  
ADJUSTED EBITDA<sup>(2)(3)</sup>

- (1) Average of restaurants open at least 24 months (i.e., units opened on 6/30/2022 or earlier for comparison purposes). Includes a restaurant that is owned by C&O of which Portillo's owns 50% of the equity
- (2) See appendix for a reconciliation to the most directly comparable financial measure stated in accordance with GAAP
- (3) Excludes a restaurant that is owned by C&O of which Portillo's owns 50% of the equity
- (4) Based on data from Blackbox for non-management positions as of 7/31/2024

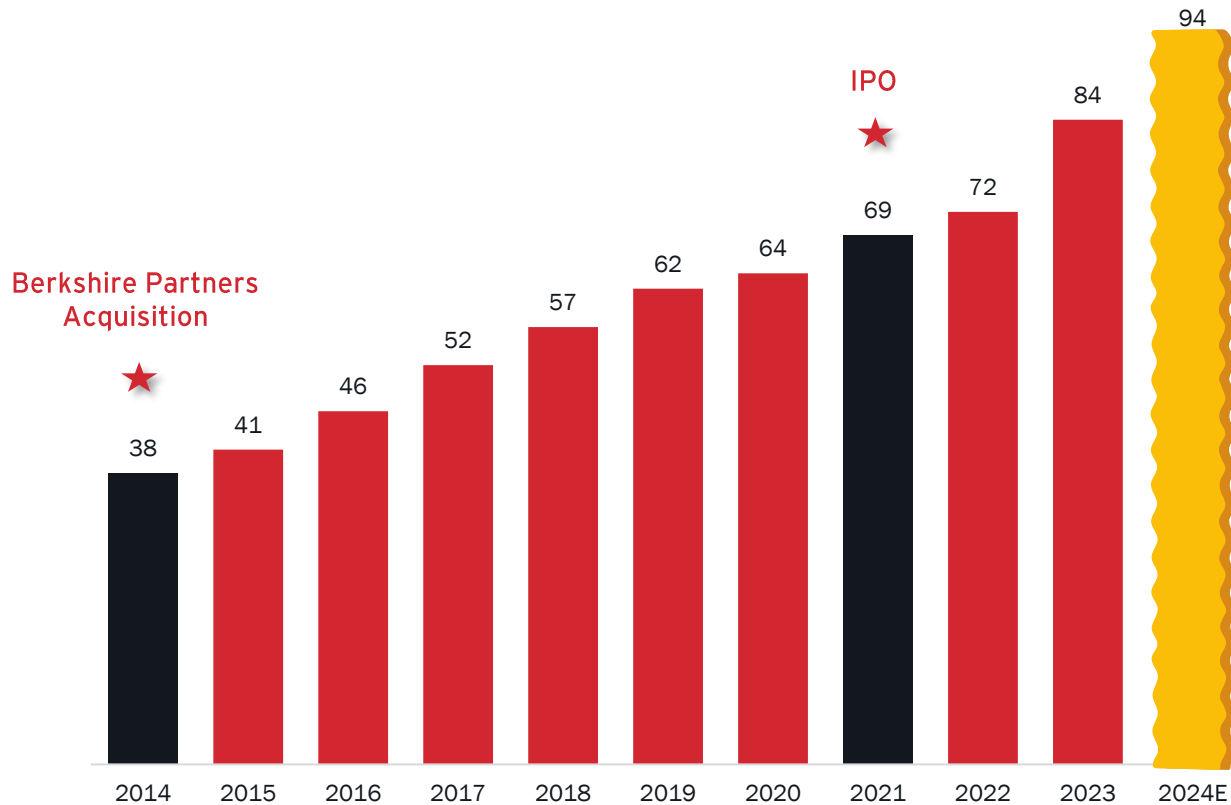


**FAMILY  
GREATNESS  
ENERGY  
FUN**

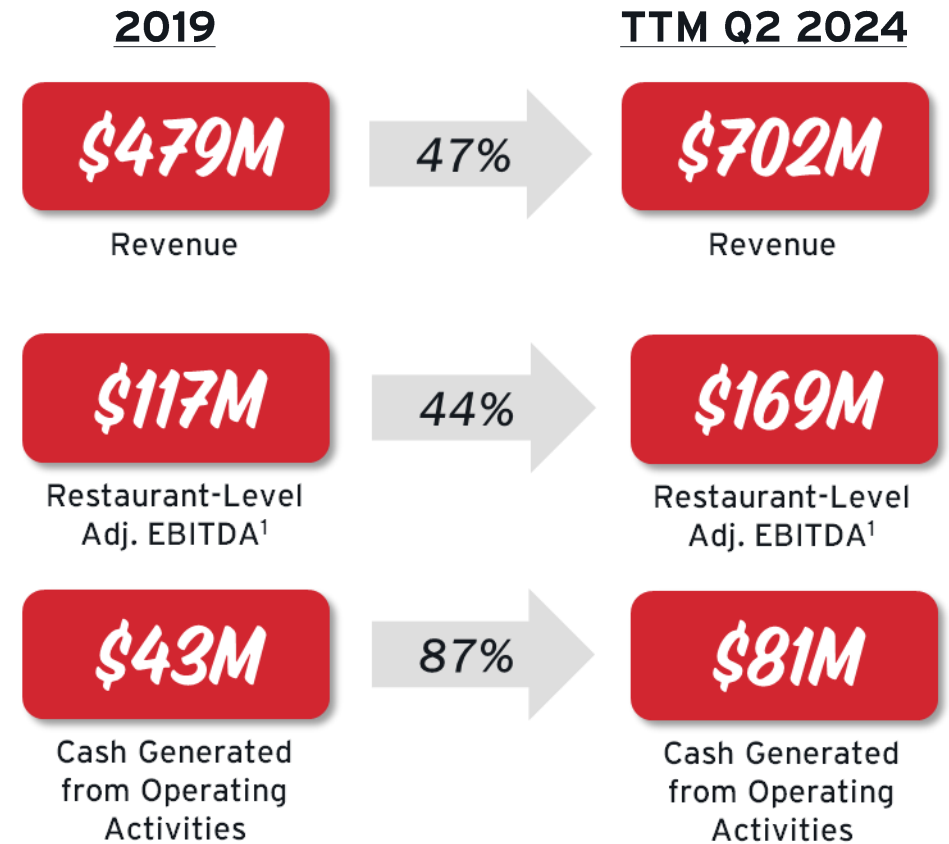
**13 POINT**  
Lower Turnover Than  
Fast Casual Segment<sup>(4)</sup>

# ACCELERATING HISTORICAL GROWTH & RESULTS

## Number of Restaurants by Fiscal Year



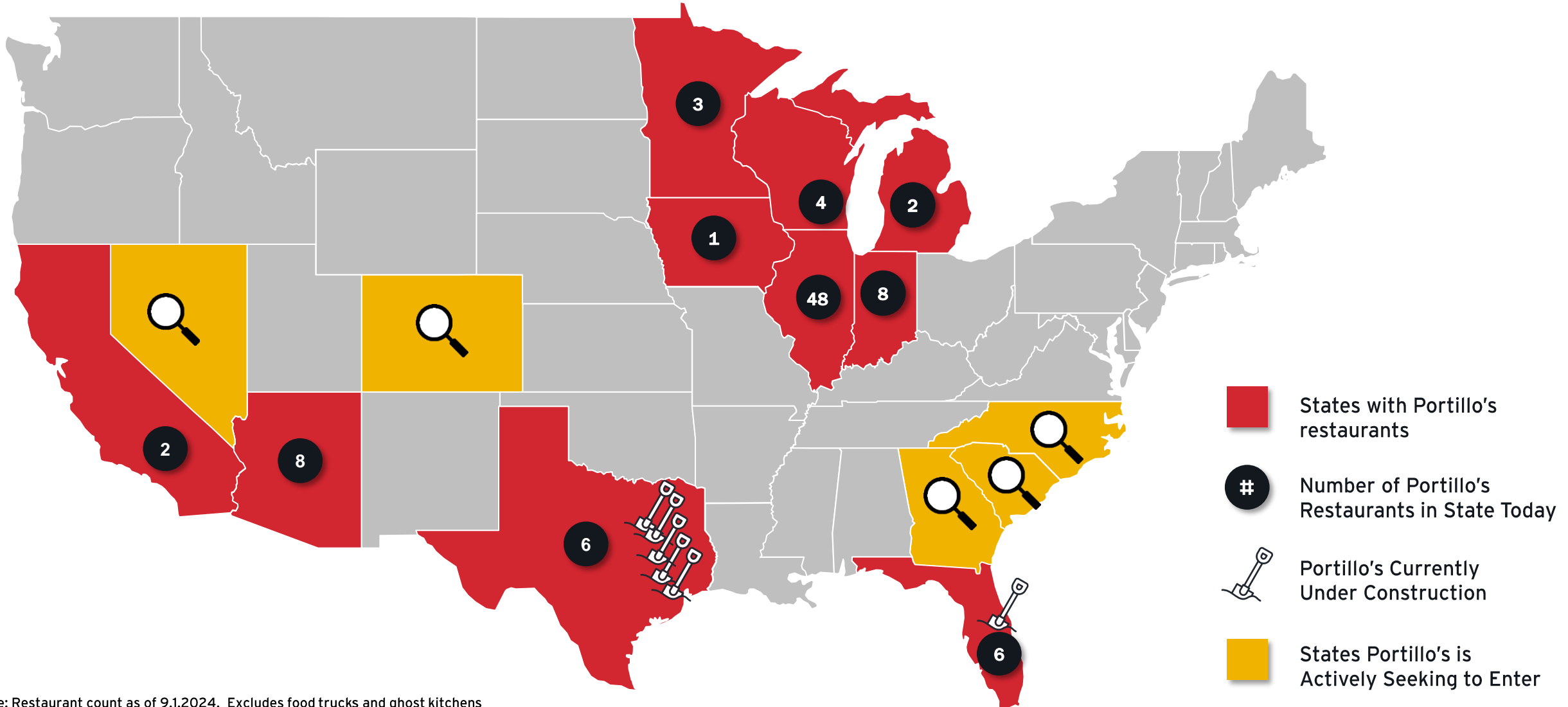
## Five-Year Results



Note: Total restaurants includes the Clark & Ontario restaurant of which Portillo's owns 50% of the equity.  
 (1) See appendix for a reconciliation to the most directly comparable financial measure stated in accordance with GAAP

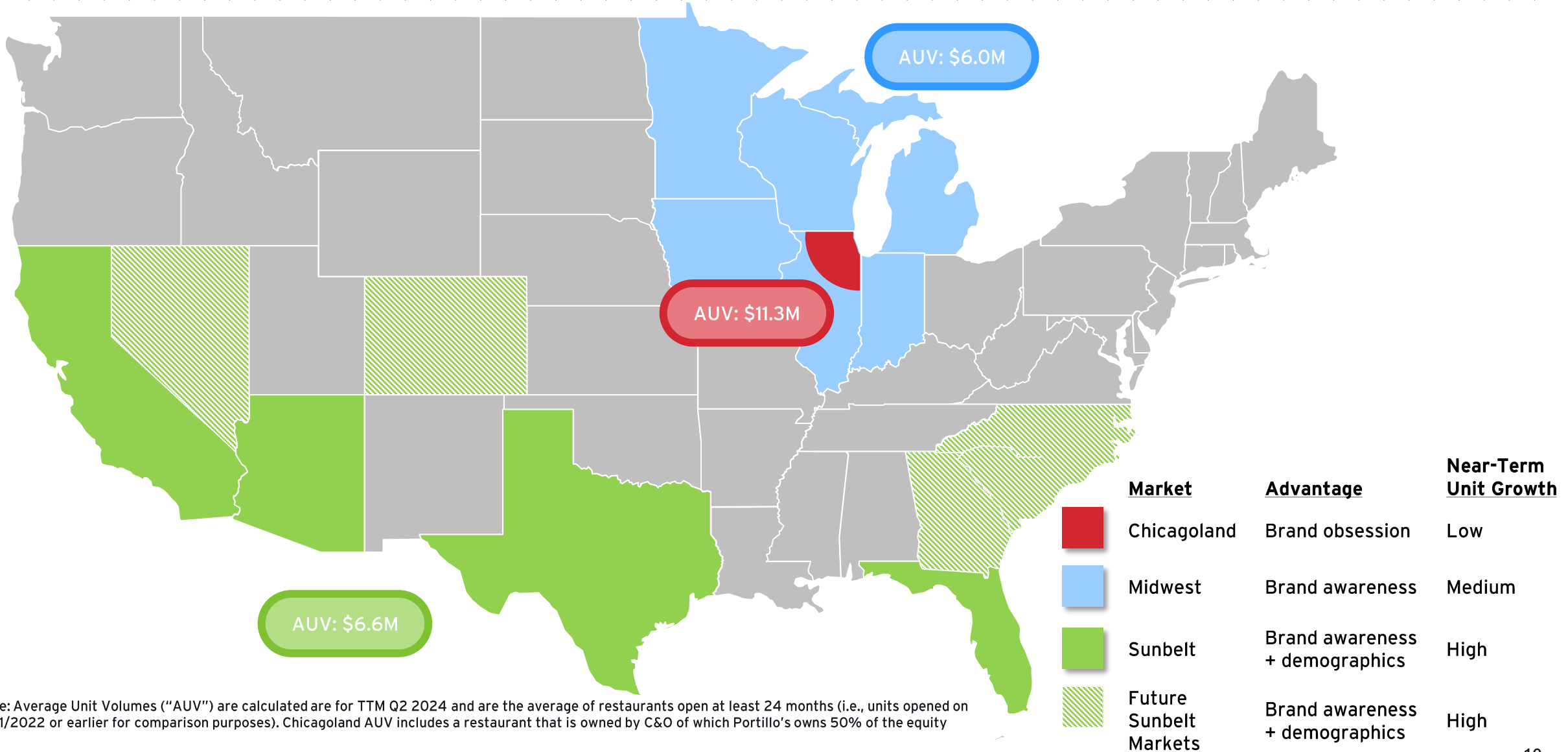


# GROWING FASTER AND FARTHER THAN EVER *Portillo's*



Note: Restaurant count as of 9.1.2024. Excludes food trucks and ghost kitchens

# DISTINCT & FOCUSED MARKET STRATEGIES



Note: Average Unit Volumes ("AUV") are calculated for TTM Q2 2024 and are the average of restaurants open at least 24 months (i.e., units opened on 6/31/2022 or earlier for comparison purposes). Chicagoland AUV includes a restaurant that is owned by C&O of which Portillo's owns 50% of the equity

# OPTIMIZING THE SIZE AND COST OF OUR RESTAURANTS

## IMPROVES CASH ON CASH RETURNS



**2019**                      **2023**                      **2024 (1H)**                      **2024 (2H)**



*Restaurant of the Future*

<b>Net Build Cost<sup>1</sup></b>	\$8.1M <sup>2</sup>	\$6.7M	\$5.8M	\$5.2M
<b>Sq Footage</b>	11,300 sq/ft	7,700 sq/ft	7,700 sq/ft	6,250 sq/ft
<b>Kitchen Line Length</b>	105 feet	65 feet	65 feet	47 feet

**Future Buildout Costs by Class**

\$5.2M - \$5.5M

(1) Represents net build costs for individual restaurants which is not indicative of average net build costs of restaurants constructed in shown years. All build costs for Texas locations shown are net of tenant improvement allowances  
 (2) Chained to 2024 dollars using a 6.9% inflation CAGR over 5 years; Source: Producer Price Index by Commodity: Special Indexes: Construction Materials

# LONG-TERM GROWTH ALGORITHM

**UNIT GROWTH**  
12%-15%

**SAME RESTAURANT SALES**  
Low single digits

**REVENUE GROWTH**  
Mid teens

**ADJ. EBITDA GROWTH<sup>(1)</sup>**  
Low teens



CHICAGO STYLE HOT DOG  
JUMBO HOT DOG &  
PLANT BASED GARDEN DOG

(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



***APPENDIX***

# ADJUSTED EBITDA RECONCILIATION



(\$ IN THOUSANDS)

	LTM
	June 30, 2024
<b>Net Income</b>	<b>\$ 30,067</b>
<b>Net income margin</b>	<b>4.3 %</b>
<b>Depreciation and amortization</b>	<b>26,753</b>
<b>Interest expense</b>	<b>26,637</b>
<b>Interest income</b>	<b>(366)</b>
<b>Income tax expense</b>	<b>4,624</b>
<b>EBITDA</b>	<b>87,715</b>
<b>Deferred rent (1)</b>	<b>5,169</b>
<b>Equity-based compensation</b>	<b>13,539</b>
<b>ERP implementation costs (2)</b>	<b>851</b>
<b>Amortization of cloud-based software implementation costs (3)</b>	<b>146</b>
<b>Other income (4)</b>	<b>161</b>
<b>Transaction-related fees &amp; expenses (5)</b>	<b>675</b>
<b>Tax Receivable Agreement liability adjustment (6)</b>	<b>(3,186)</b>
<b>Adjusted EBITDA</b>	<b>\$ 105,070</b>
<b>Adjusted EBITDA Margin (7)</b>	<b>15.0 %</b>

- (1) Represents the difference between cash rent payments and the recognition of straight-line rent expense recognized over the lease term
- (2) Represents non-capitalized third-party consulting and software licensing costs incurred in connection with the implementation of a new ERP system
- (3) Represents amortization of capitalized cloud-based ERP system implementation costs that are included within General and administrative expenses
- (4) Represents loss on disposal of property and equipment
- (5) Represents certain expenses that management believes are not indicative of ongoing operations, consisting primarily of certain professional fees
- (6) Represents the Tax Receivable Agreement liability remeasurement primarily due to activity under equity-based compensation plans
- (7) Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Revenues, net

# RESTAURANT-LEVEL ADJUSTED EBITDA RECONCILIATION *Portillo's*

(\$ IN THOUSANDS)

	LTM	Fiscal Year Ended
	June 30, 2024	December 29, 2019
<b>Operating income</b>	<b>\$ 57,776</b>	<b>\$ 48,922</b>
Operating income margin	8.2 %	10.2 %
General and administrative expenses	76,929	43,118
Pre-opening expenses	9,923	2,834
Depreciation and amortization	26,753	24,364
Net Income attributable to equity method investment	(1,353)	(766)
Other income, net	(1,467)	(1,402)
<b>Restaurant-Level Adjusted EBITDA</b>	<b>\$ 168,561</b>	<b>\$ 117,070</b>
Restaurant-Level Adjusted EBITDA Margin	24.0 %	24.4 %