



Portillo's Inc. Completes Successful Debt Refinancing Transaction

February 6, 2023

OAK BROOK, Ill., Feb. 06, 2023 (GLOBE NEWSWIRE) -- Portillo's Inc. (Nasdaq: PTLO), the fast-casual restaurant concept known for its menu of Chicago-style favorites, today announced that it has successfully refinanced its existing credit facility with a new 5-year \$300 million Term A Loan, resulting in a significant reduction in interest expense. At prevailing rates, the all-in interest rate on the term debt has been reduced by approximately 270 basis points. The refinancing provides Portillo's with greater financial flexibility in support of the Company's ongoing expansion.

The new Term A Loan has an interest rate based on the Secured Overnight Financing Rate (SOFR), plus a credit spread adjustment of 10 to 15 basis points depending on the commitment term, plus a margin of 275 basis points (subject to adjustments based upon the Company's consolidated total net rent adjusted leverage ratio). The new rate compares favorably to the existing credit facility's margin, which was based on the London Interbank Offered Rate (LIBOR) plus 550 basis points.

The Company also entered into a new 5-year Revolving Credit Facility, increasing its short-term borrowing capacity from \$50 million to \$100 million. At closing, the Company borrowed \$15 million under the Revolving Credit Facility and has over \$80 million of remaining borrowing capacity, net of letters of credit of approximately \$4.4 million.

"Since our IPO in 2021, we've prudently managed our capital structure by reducing leverage and securing more favorable terms on our debt obligations," said Michelle Hook, Portillo's Chief Financial Officer. "Completing a successful refinancing in the current environment reflects well on the strength of our brand and the stability of our business and provides us with additional financial flexibility to execute our growth strategy and operational enhancement initiatives."

Fifth Third Bank, N.A. served as Joint Lead Arrangers and Joint Bookrunners with BofA Securities, Inc., Wells Fargo Bank, N.A., and MUFG Bank, Ltd. Fifth Third Bank, N.A. also served as the Administrative Agent, L/C Issuer and Swing Line Lender.

About Portillo's

In 1963, Dick Portillo invested \$1,100 into a small trailer to open the first Portillo's hot dog stand in Villa Park, IL, which he called "The Dog House." Years later, Portillo's (NASDAQ: PTLO) has grown to more than 70 restaurants across 10 states. Portillo's is best known for its Chicago-style hot dogs, Italian beef sandwiches, char-grilled burgers, fresh salads and famous chocolate cake. Download the **Portillo's App** for [iOS](#) or [Android](#) or visit the [Portillo's website](#) to get the best dill on these bun-believable delicious Chicago-style favorites and more. Order ahead for Portillo's Pickup or delivery. Portillo's also ships food to all 50 states via its website.

Cautionary Note Regarding Forward-Looking Statements

This press release 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," "pursue," "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 our ability to maintain our lower interest expense, expand our store footprint, execute our strategy and achieve our goals, among the other risks identified in our most recent Annual Report on Form 10-K (the "Form 10-K") and subsequent filings with the Securities and Exchange Commission (the "SEC"), which filings are available on the SEC's website at www.sec.gov.

The forward-looking statements in this press release are expressly qualified in their entirety by these cautionary statements and are made only as of the date hereof. Portillo's 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.

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