

Portillo's®

Fourth Quarter Earnings Supplemental
February 27, 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 we may not predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements, and you should not unduly rely on these 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 and fluctuating interest rates or other factors;
- the impact of unionization activities of our restaurant workers on our operations and profitability;
- the impact of recent bank failures on the marketplace, including the ability to access credit;
- 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 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. 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.

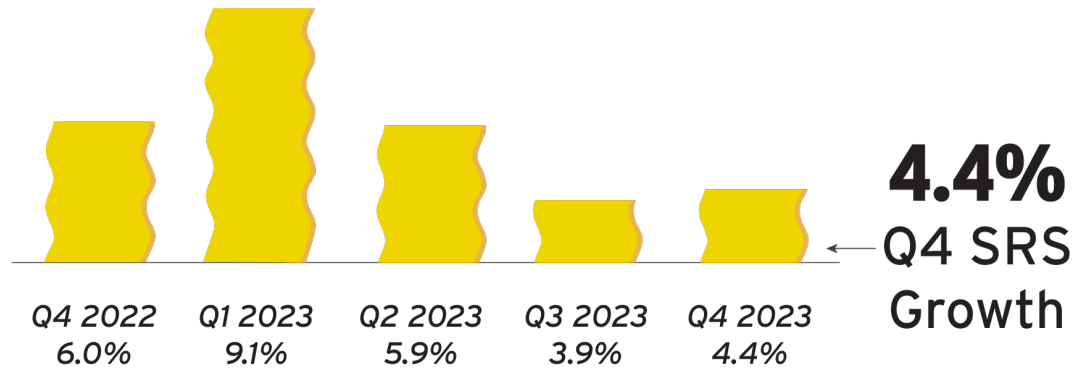
This presentation includes certain non-GAAP measures as defined under SEC rules, including Adjusted EBITDA, Adjusted EBITDA Margin, Restaurant-Level Adjusted EBITDA and Restaurant-Level Adjusted EBITDA Margin. Reconciliations and definitions are included in the Appendix to this presentation.

Q4 2023 PERFORMANCE

REVENUE



SAME RESTAURANT SALES GROWTH ⁽¹⁾



2 year comp stack ⁽³⁾	16.9%	18.1%	7.9%	9.9%	10.7%
3 year comp stack ⁽³⁾	6.5%	19.1%	34.9%	17.4%	22.1%

PROFITABILITY



(1) Same restaurant sales include restaurants open for a minimum of 24 months and excludes a restaurant that is owned by C&O Chicago, LLC ("C&O") of which Portillo's owns 50% of the equity. For the fourth quarter 2023, same-restaurant sales compares the 14 weeks from September 25, 2023 through December 31, 2023 to the 14 weeks from September 26, 2022 through January 1, 2023. In order to compare like-for-like periods for the fourth quarter 2024, same-restaurant sales will compare the 13 weeks from September 30, 2024 through December 29, 2024 to the 13 weeks from October 2, 2023 through December 31, 2023.

(2) See appendix for a reconciliation to the most directly comparable GAAP financial measure.

(3) A geometric comparable sales measure is used to determine the compounding effect of an earlier period's year over year comparable sales percentage on the subsequent period's year over year comparable sales percentage. Note: We use a 52- or 53-week fiscal year ending on the Sunday on or prior to December 31. Fourth quarter 2023 consisted of 14 weeks and fourth quarter 2022 consisted of 13 weeks. The additional week in the fourth quarter 2023 included Christmas Day, resulting in six operating days. See further detail on "Selected Operating Data" slide.

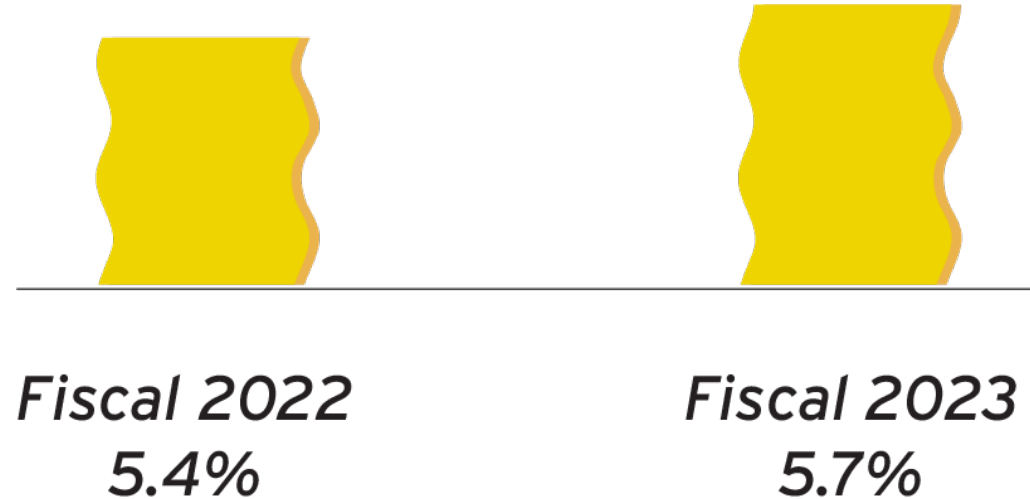
FISCAL 2023 PERFORMANCE

REVENUE

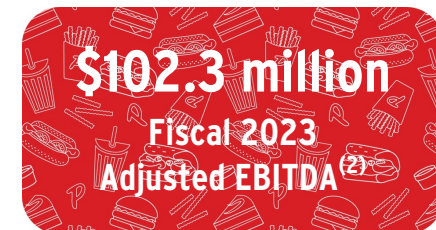
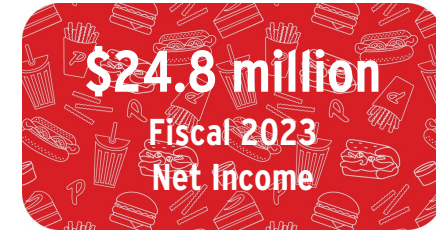
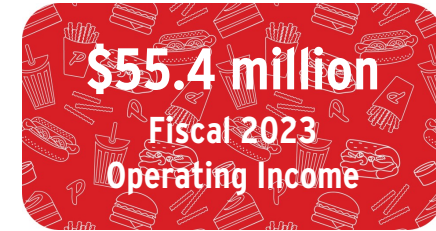


\$679.9 million
Fiscal 2023 Total Revenue

SAME RESTAURANT SALES GROWTH ⁽¹⁾



PROFITABILITY



(1) Same restaurant sales include restaurants open for a minimum of 24 months and excludes a restaurant that is owned by C&O Chicago, LLC ("C&O") of which Portillo's owns 50% of the equity. For fiscal 2023, same-restaurant sales compares the 53 weeks from December 26, 2022 through December 31, 2023 to the 53 weeks from December 27, 2021 through January 1, 2023. In order to compare like-for-like periods for fiscal 2024, same-restaurant sales will compare the 52 weeks from January 1, 2024 through December 29, 2024 to the 52 weeks from January 2, 2023 through December 31, 2023.

(2) See appendix for a reconciliation to the most directly comparable GAAP financial measure.
Note: We use a 52- or 53-week fiscal year ending on the Sunday on or prior to December 31. Fiscal 2023 consisted of 53 weeks and fiscal 2022 consisted of 52 weeks. The 53rd week in fiscal 2023 included Christmas Day, resulting in six operating days. See further detail on "Selected Operating Data" slide.

53RD WEEK IMPACT

REVENUE

\$13.9 million

Impact to Q4 and Fiscal 2023 Total Revenue



PROFITABILITY

\$1.6 million

**Impact to Q4 and Fiscal 2023
Operating Income**

\$1.2 million

**Impact to Q4 and Fiscal 2023
Net Income**

\$3.5 million

**Impact to Q4 and Fiscal 2023
Restaurant-Level Adjusted
EBITDA**

\$2.4 million

**Impact to Q4 and Fiscal 2023
Adjusted EBITDA**

DEVELOPMENT UPDATE - CLASS OF 2023



Kissimmee, FL



Tucson, AZ



Allen, TX



Cicero, IL



Arlington, TX



Clermont, FL



The Colony, TX



Gilbert, AZ



Queen Creek, AZ



Algonquin, IL



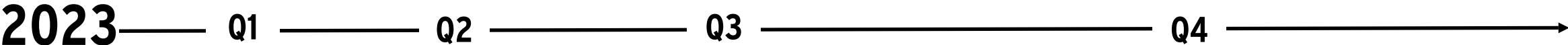
Rosemont, IL



Ft. Worth, TX

4 in Completed Class of 2022

8 in Class of 2023

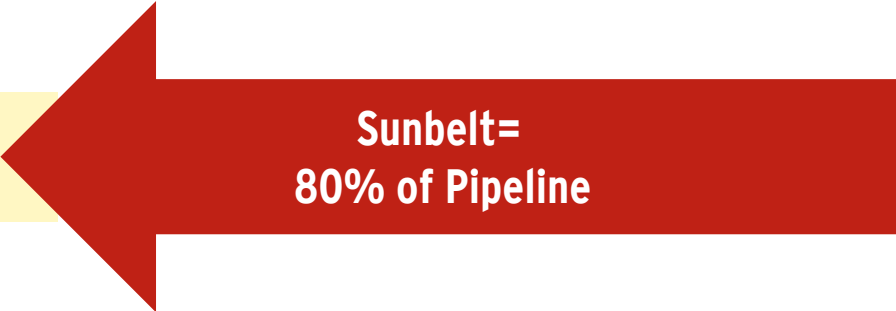


DEVELOPMENT UPDATE - EXPECTATIONS FOR 2024 PIPELINE

2024 Development Outlook

9+ units, **10.7%** unit growth

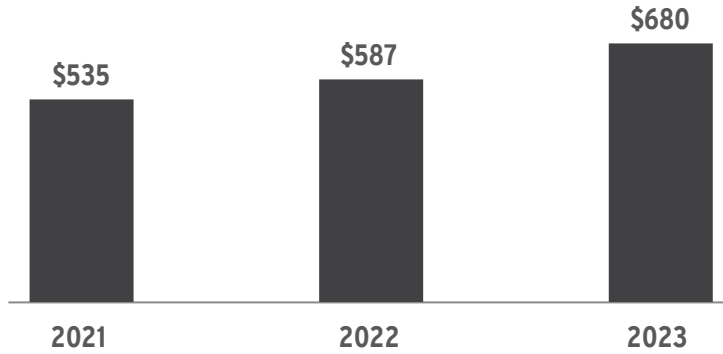
- Dallas
- Houston
- Midwest
- Arizona
- Central Florida



FINANCIAL PROFILE

TOTAL REVENUE

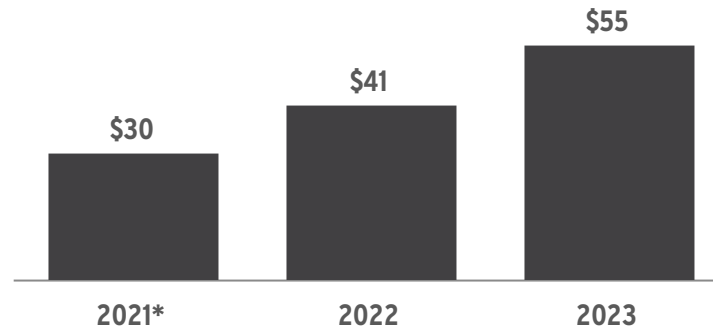
(\$ in millions)



OPERATING INCOME

*Includes \$38.7 million of additional transaction-related fees and expenses

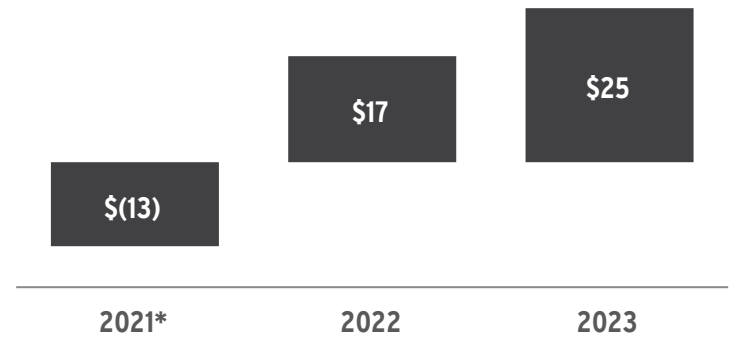
(\$ in millions)



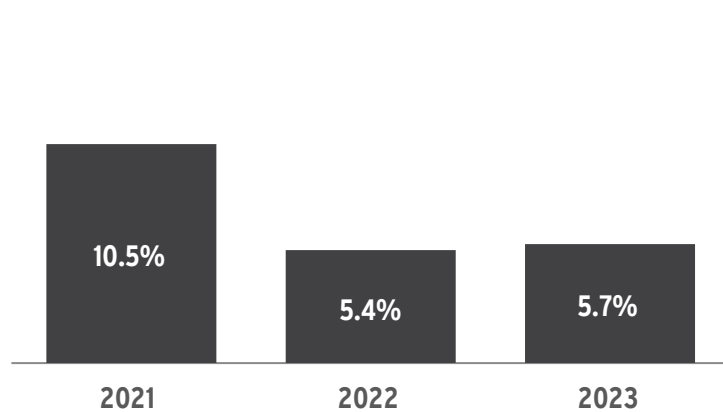
NET INCOME (LOSS)

*Includes \$38.7 million of additional transaction-related fees and expenses

(\$ in millions)

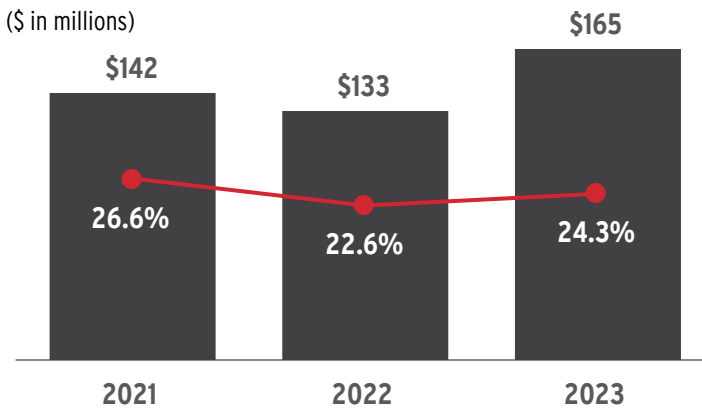


SAME RESTAURANT SALES ⁽¹⁾



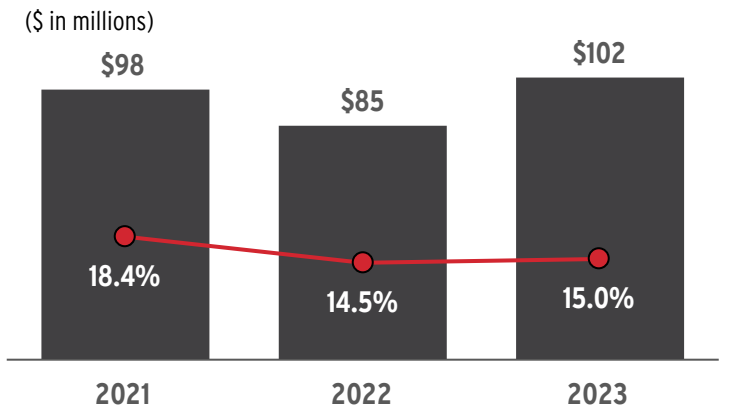
RESTAURANT-LEVEL ADJ. EBITDA (Margin) ⁽²⁾

(\$ in millions)



ADJ. EBITDA (Margin) ⁽²⁾

(\$ in millions)



(1) Same restaurant sales include restaurants open for a minimum of 24 months and excludes a restaurant that is owned by C&O Chicago, LLC ("C&O") of which Portillo's owns 50% of the equity. For fiscal 2023, same-restaurant sales compares the 53 weeks from December 26, 2022 through December 31, 2023 to the 53 weeks from December 27, 2021 through January 1, 2023. In order to compare like-for-like periods for fiscal 2024, same-restaurant sales will compare the 52 weeks from January 1, 2024 through December 29, 2024 to the 52 weeks from January 2, 2023 through December 31, 2023.

(2) See appendix for a reconciliation to the most directly comparable GAAP financial measure. Note: We use a 52- or 53-week fiscal year ending on the Sunday on or prior to December 31. Fiscal 2023 consisted of 53 weeks and fiscal 2022 and fiscal 2021 consisted of 52 weeks. The 53rd week in fiscal 2023 included Christmas Day, resulting in six operating days. See further detail on "Selected Operating Data" slide.

FISCAL 2024 AND LONG-TERM OUTLOOK

Fiscal 2024 FINANCIAL TARGETS

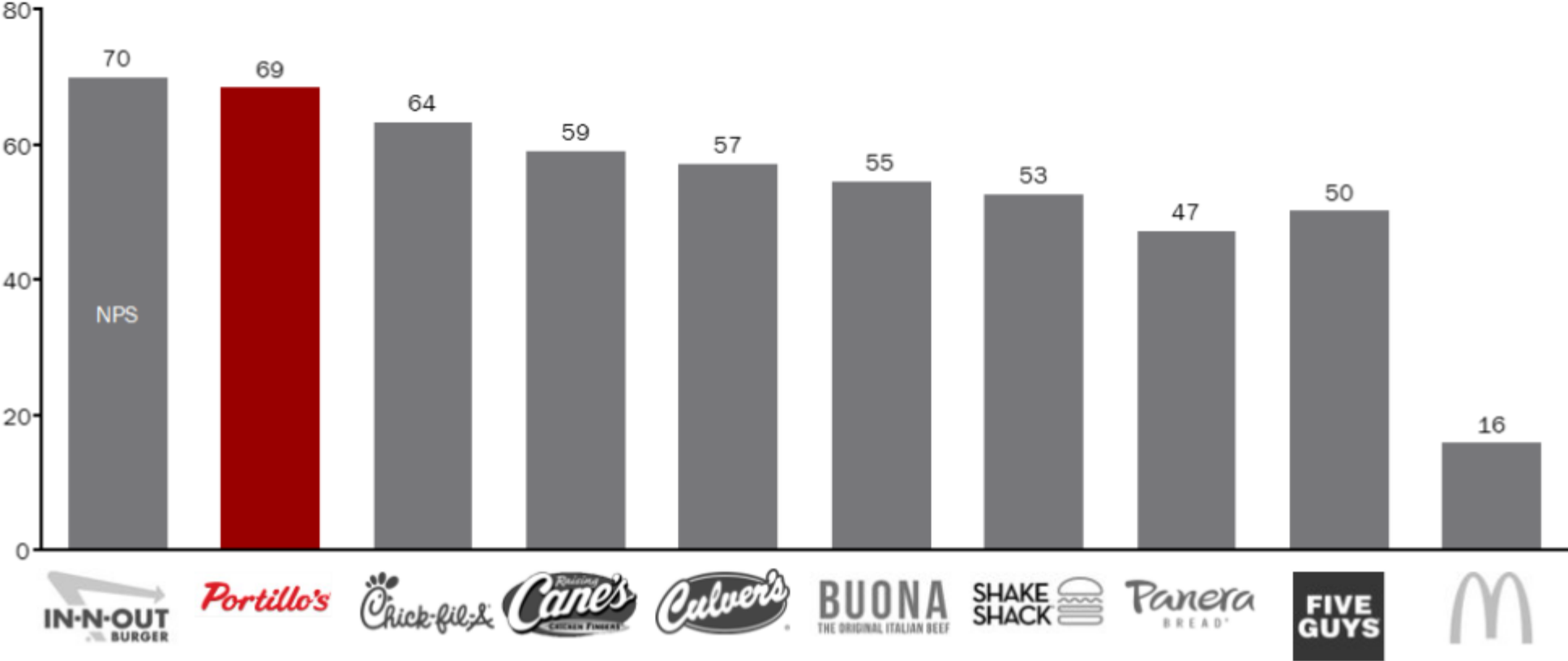
Unit Growth	9+ new units
Commodity Inflation	4% to 6%
General & Administrative Expenses	\$85 to \$87 million
Pre-Opening Expenses	\$8.0 to \$9.0 million
Capital Expenditures	\$90 to \$93 million

LONG-TERM FINANCIAL TARGETS

Unit Growth	12% - 15%
Same Restaurant Sales	Low single digits
Revenue Growth	Mid teens
Adj. EBITDA Growth ⁽¹⁾	Low teens



NET PROMOTER SCORE (PORTILLO'S GEOGRAPHIES)



Note: Net promoter score measures consumer enthusiasm and advocacy based on a single survey question.
Source: Qualtrics Customer Experience Benchmarks (CXB) - Proprietary benchmark survey fielded monthly. Results represent Q4 2023 to Q1 2024



Portillo's[®]

APPENDIX

STATEMENT OF OPERATIONS

	Quarter Ended				Fiscal Years Ended			
	December 31, 2023		December 25, 2022		December 31, 2023		December 25, 2022	
REVENUES, NET	\$ 187,858	100.0 %	\$ 150,878	100.0 %	\$ 679,905	100.0 %	\$ 587,104	100.0 %
COST AND EXPENSES:								
Restaurant operating expenses:								
Food, beverage and packaging costs	65,462	34.8 %	52,823	35.0 %	230,869	34.0 %	204,237	34.8 %
Labor	47,668	25.4 %	40,040	26.5 %	173,868	25.6 %	154,392	26.3 %
Occupancy	8,460	4.5 %	7,879	5.2 %	33,358	4.9 %	30,657	5.2 %
Other operating expenses	20,532	10.9 %	18,087	12.0 %	76,639	11.3 %	65,312	11.1 %
Total restaurant operating expenses	142,122	75.7 %	118,829	78.8 %	514,734	75.7 %	454,598	77.4 %
General and administrative expenses	21,550	11.5 %	17,707	11.7 %	78,835	11.6 %	66,892	11.4 %
Pre-opening expenses	3,990	2.1 %	2,945	2.0 %	9,019	1.3 %	4,715	0.8 %
Depreciation and amortization	6,525	3.5 %	5,104	3.4 %	24,313	3.6 %	20,907	3.6 %
Net income attributable to equity method investment	(391)	(0.2)%	(276)	(0.2)%	(1,401)	(0.2)%	(1,083)	(0.2)%
Other (income) loss, net	(405)	(0.2)%	129	0.1 %	(1,035)	(0.2)%	(204)	- %
OPERATING INCOME	14,467	7.7 %	6,440	4.3 %	55,440	8.2 %	41,279	7.0 %
Interest expense	6,931	3.7 %	8,358	5.5 %	27,470	4.0 %	27,644	4.7 %
Interest income	(96)	(0.1)%	-	- %	(212)	- %	-	- %
Tax Receivable Agreement liability adjustment	(1,658)	(0.9)%	(2,883)	(1.9)%	(3,349)	(0.5)%	(5,345)	(0.9)%
Loss on debt extinguishment	-	- %	-	- %	3,465	0.5 %	-	- %
INCOME BEFORE INCOME TAXES	9,290	4.9 %	965	0.6 %	28,066	4.1 %	18,980	3.2 %
Income tax (benefit) expense	(357)	(0.2)%	(1,688)	(1.1)%	3,248	0.5 %	1,823	0.3 %
NET INCOME	9,647	5.1 %	2,653	1.8 %	24,818	3.7 %	17,157	2.9 %
Net income (loss) attributable to non-controlling interests	1,858	1.0 %	(1,301)	(0.9)%	6,394	0.9 %	6,306	1.1 %
NET INCOME ATTRIBUTABLE TO PORTILLO'S INC.	\$ 7,789	4.1 %	\$ 3,954	2.6 %	\$ 18,424	2.7 %	\$ 10,851	1.8 %
Income per common share attributable to Portillo's Inc.:								
Basic	\$ 0.14		\$ 0.09		\$ 0.34		\$ 0.28	
Diluted	\$ 0.13		\$ 0.08		\$ 0.32		\$ 0.25	
Weighted-average common shares outstanding:								
Basic	55,409,702		44,911,414		53,806,570		38,902,259	
Diluted	58,635,214		48,438,054		57,307,784		42,715,977	

Note: We use a 52- or 53-week fiscal year ending on the Sunday on or prior to December 31. Fourth quarter 2023 and fiscal 2023 consisted of 14 weeks and 53 weeks, respectively, and fourth quarter 2022 and fiscal 2022 consisted of 13 weeks and 52 weeks, respectively. The additional week in the fourth quarter 2023 and fiscal 2023 included Christmas Day, resulting in six operating days.

SELECTED OPERATING DATA

	Quarter Ended		Fiscal Years Ended	
	December 31, 2023	December 25, 2022	December 31, 2023	December 25, 2022
Total Restaurants (a)	84	72	84	72
AUV (in millions) (a)	N/A	N/A	\$ 9.1	\$ 8.5
Change in same-restaurant sales (b)(c)	4.4 %	6.0 %	5.7 %	5.4 %
Adjusted EBITDA (in thousands) (b)	\$ 26,142	\$ 18,092	\$ 102,282	\$ 84,955
Adjusted EBITDA Margin (b)	13.9 %	12.0 %	15.0 %	14.5 %
Restaurant-Level Adjusted EBITDA (in thousands) (b)	\$ 45,736	\$ 32,049	\$ 165,171	\$ 132,506
Restaurant-Level Adjusted EBITDA Margin (b)	24.3 %	21.2 %	24.3 %	22.6 %

(a) Includes a restaurant that is owned by C&O of which Portillo's owns 50% of the equity. Total restaurants indicated are as of a point in time. AUV for fiscal 2023 and fiscal 2022 consist of 53 weeks and 52 weeks, respectively.

(b) Excludes a restaurant that is owned by C&O of which Portillo's owns 50% of the equity.

(c) For the fourth quarter 2023, same-restaurant sales compares the 14 weeks from September 25, 2023 through December 31, 2023 to the 14 weeks from September 26, 2022 through January 1, 2023. In order to compare like-for-like periods for the fourth quarter 2024, same-restaurant sales will compare the 13 weeks from September 30, 2024 through December 29, 2024 to the 13 weeks from October 2, 2023 through December 31, 2023. For fiscal 2023, same-restaurant sales compares the 53 weeks from December 26, 2022 through December 31, 2023 to the 53 weeks from December 27, 2021 through January 1, 2023. In order to compare like-for-like periods for fiscal 2024, same-restaurant sales will compare the 52 weeks from January 1, 2024 through December 29, 2024 to the 52 weeks from January 2, 2023 through December 31, 2023.

ADJUSTED EBITDA DEFINITIONS

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA represents net income (loss) before depreciation and amortization, interest expense, interest income and income taxes, adjusted for the impact of certain non-cash and other items that we do not consider in our evaluation of ongoing core operating performance as identified in the reconciliation of net income (loss), the most directly comparable GAAP measure, to Adjusted EBITDA. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues, net. We use Adjusted EBITDA and Adjusted EBITDA Margin (i) to evaluate our operating results and the effectiveness of our business strategies, (ii) internally as benchmarks to compare our performance to that of our competitors and (iii) as factors in evaluating management's performance when determining incentive compensation.

We are unable to reconcile the long-term outlook for Adjusted EBITDA 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.

How These Measures Are Useful

We believe that Adjusted EBITDA and Adjusted EBITDA Margin are important measures of operating performance because they eliminate the impact of expenses that do not relate to our core operating performance. Adjusted EBITDA and Adjusted EBITDA Margin are supplemental measures of operating performance and our calculations thereof may not be comparable to similar measures reported by other companies. Adjusted EBITDA and Adjusted EBITDA Margin have important limitations as analytical tools and should not be considered in isolation as substitutes for analysis of our results as reported under GAAP.



ADJUSTED EBITDA RECONCILIATION

	Quarter Ended	
	December 31, 2023	December 25, 2022
Net income	\$ 9,647	\$ 2,653
Depreciation and amortization	6,525	5,104
Interest expense	6,931	8,358
Interest income	(96)	–
Income tax benefit	(357)	(1,688)
EBITDA	22,650	14,427
Deferred rent (1)	1,315	999
Equity-based compensation	3,498	4,790
ERP implementation costs (2)	252	–
Other loss (3)	79	159
Transaction-related fees & expenses (4)	6	600
Tax Receivable Agreement liability adjustment (5)	(1,658)	(2,883)
Adjusted EBITDA	\$ 26,142	\$ 18,092
Adjusted EBITDA Margin (6)	13.9 %	12.0 %

(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 loss on disposal of property and equipment.

(4) Represents the exclusion of certain expenses that management believes are not indicative of ongoing operations, consisting primarily of certain professional fees.

(5) Represents the Tax Receivable Agreement liability remeasurement primarily due to activity under equity-based compensation plans.

(6) Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Revenues, net.



ADJUSTED EBITDA RECONCILIATION

	Fiscal Years Ended		
	December 31, 2023	December 25, 2022	December 26, 2021
Net income (loss)	\$ 24,818	\$ 17,157	\$ (13,416)
Depreciation and amortization	24,313	20,907	23,312
Interest expense	27,470	27,644	39,694
Interest income	(212)	–	–
Loss on debt extinguishment	3,465	–	7,265
Income tax expense (benefit)	3,248	1,823	(3,531)
EBITDA	83,102	67,531	53,324
Deferred rent (1)	5,096	3,998	3,161
Equity-based compensation	15,542	16,137	30,708
Option holder payment and consulting fees (2)	–	–	7,744
ERP implementation costs (3)	401	–	–
Other income (4)	590	397	292
Transaction-related fees & expenses (5)	900	2,237	3,268
Tax Receivable Agreement liability adjustment (6)	(3,349)	(5,345)	–
Adjusted EBITDA	\$ 102,282	\$ 84,955	\$ 98,497
Adjusted EBITDA Margin (7)	15.0 %	14.5 %	18.4 %

(1) Represents the difference between cash rent payments and the recognition of straight-line rent expense recognized over the lease term.

(2) Represents an option holder payment in connection with the IPO and consulting fees related to our former owner.

(3) Represents non-capitalized third-party consulting and software licensing costs incurred in connection with the implementation of a new ERP system.

(4) Represents loss on disposal of property and equipment.

(5) Represents the exclusion of 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.

Note: We use a 52- or 53-week fiscal year ending on the Sunday on or prior to December 31. Fiscal 2023 consisted of 53 weeks and fiscal 2022 consisted of 52 weeks. The 53rd week in fiscal 2023 included Christmas Day, resulting in six operating days.

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 revenues, net.

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

	Quarter Ended	
	December 31, 2023	December 25, 2022
Operating income	\$ 14,467	\$ 6,440
General and administrative expenses	21,550	17,707
Pre-opening expenses	3,990	2,945
Depreciation and amortization	6,525	5,104
Net Income attributable to equity method investment	(391)	(276)
Other (income) loss, net	(405)	129
Restaurant-Level Adjusted EBITDA	\$ 45,736	\$ 32,049
Restaurant-Level Adjusted EBITDA Margin	24.3 %	21.2 %



RESTAURANT-LEVEL ADJUSTED EBITDA RECONCILIATION

	Fiscal Years Ended		
	December 31, 2023	December 25, 2022	December 26, 2021
Operating income	\$ 55,440	\$ 41,279	\$ 30,012
General and administrative expenses	78,835	66,892	87,089
Pre-opening expenses	9,019	4,715	3,565
Depreciation and amortization	24,313	20,907	23,312
Net Income attributable to equity method investment	(1,401)	(1,083)	(797)
Other income, net	(1,035)	(204)	(1,099)
Restaurant-Level Adjusted EBITDA	\$ 165,171	\$ 132,506	\$ 142,082
Restaurant-Level Adjusted EBITDA Margin	24.3 %	22.6 %	26.6 %



CONTACT INFORMATION



At Portillo's, we relish the opportunity to create lifelong memories by igniting the senses with unrivaled food and experiences.

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