

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): March 12, 2024



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 participating in two upcoming investor conferences. The Corporation's Chief Executive Officer, Michael Osanloo, and Chief Financial Officer, Michelle Hook, will present at the BofA Securities 2024 Consumer & Retail Conference on Tuesday, March 12, 2024 at 1:50 p.m. Eastern Time, and at the UBS Global Consumer & Retail Conference on Thursday, March 14, 2024 at 11:00 a.m. Eastern Time. All interested parties may listen to live audio-only webcasts of the fireside chats by accessing the links at <https://investors.portillos.com/events-and-presentations>. A copy of the presentation to be used during the fireside chats is attached to this Current Report on Form 8-K as Exhibit 99.1 and is also available on the Corporation's website at <http://investors.portillos.com>.

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 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 employment issues, 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;
- the 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 our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 27, 2024, 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
99.1	Investor Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Portillo's®



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

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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:

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- 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 Form 10-K for the fiscal year ended December 31, 2023 filed February 27, 2024 and other 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.

Portillo's

PORTILLO'S AT A GLANCE

Portillo's

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



NEW! SPICY CHICKEN
CHOPPED SALAD

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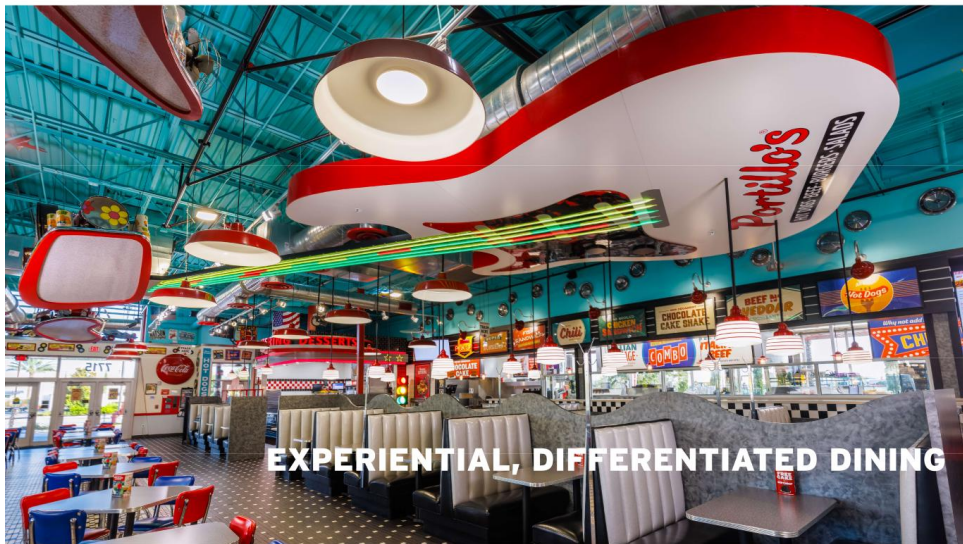
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SOMETHING TRULY CRAVEABLE FOR EVERYONE



\$650K+
PER RESTAURANT
OF SALAD SALES

SALES MIX
STAYS CONSISTENT
ACROSS OUR
GEOGRAPHIC
FOOTPRINT



EXPERIENTIAL, DIFFERENTIATED DINING

AVAILABLE ANY WAY YOU WANT IT



Drive-Thru
(40% FY 2023 Sales)

+



Dine-In + Carry Out
(46% FY 2023 Sales)

+



Delivery
(14% FY 2023 Sales)

~\$3.5M / Restaurant
~2x+ the throughput of McDonald's
2023 average drive thru⁽¹⁾

~\$4.2M / Restaurant
More than Chipotle's
2023 total AUV⁽¹⁾

~\$1.2M / Restaurant
More than Domino's
2023 average delivery volume⁽¹⁾

Growing Off-Premise Channel



Carryout

~1.3M
Online Accounts



Catering

600K lbs+
Catering beef sold in FY2023



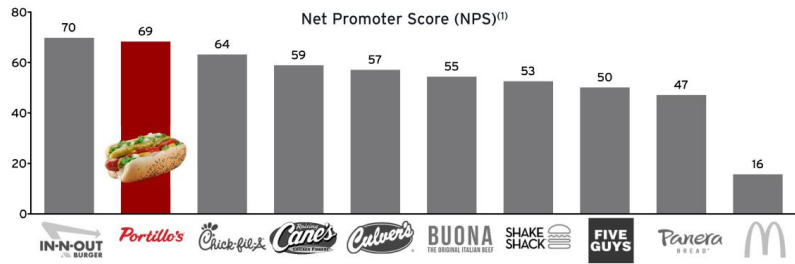
Direct Shipping

~\$7.5M
Direct shipping sales in FY2023

Note: Online accounts as of February 2024. Dine-in defined as any order served over the counter inside a restaurant, including dine in orders, orders that are "to go", phone and online orders picked up inside the restaurant. Direct-to-consumer shipping sales are not included in the AUV. Drive-Thru, Dine-In and Delivery sales per restaurant includes data for the 72 restaurants that were open as of December 25, 2022.
(1) Comparison represents U.S. restaurants only. Based on publicly available information.
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MEASURABLY OBSESSED FANS

Portillo's



"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. Customer Experience Benchmarks (CEB) sourced using the Qualtrics platform - Proprietary benchmark survey fielded monthly. Results represent Q4 2023 to Q1 2024, for Portillo's operating geographies
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UNMATCHED VALUE IN FAST CASUAL

Portillo's

Portillo's

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



- Italian Beef
- Small Fries
- Small Soft Drink

\$13.37



- Wreck Sandwich
- Chips
- Regular Soft Drink

\$13.87

\$15.26



- Shackburger
- Fries
- Small Soft Drink

\$13.97

\$15.37



- Kale Caesar Salad with Chicken
- Spindrift Water

\$16.70

\$18.37



- Green Goddess Cobb Salad with Chicken
- Small Soft Drink

\$16.88

\$18.38



- Little Cheeseburger
- Little Fries
- Regular Drink

\$17.37

\$19.54



- Steak Burrito
- Chips
- Small Soft Drink

In-Store

\$15.15

Delivery¹

\$22.12

With suggested tip

Source: Competitor websites; Competitor visits
 Note: Prices are from location in Elmhurst, IL, or closest to Elmhurst, IL. Prices with suggested tip are calculated based on the median tip option presented at the point of sale, if a tip is prompted.

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¹ Price reflected on brand's own delivery platform.

INCREDIBLE UNIT ECONOMICS

1963
FOUNDED

OCT. 2021
IPO DATE

\$680M
FY 2023
REVENUE

\$9.1M
FY 2023
AVERAGE UNIT VOLUMES⁽¹⁾

\$25M
FY 2023
NET INCOME

\$55M
FY 2023
OPERATING INCOME

24.3%
FY 2023
RESTAURANT-LEVEL ADJ. EBITDA
MARGIN⁽²⁾

\$102M
FY 2023
ADJUSTED EBITDA⁽²⁾

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

(1) Average of restaurants open at least 24 months (i.e., units opened on 12/31/2021 or earlier for comparison purposes). Includes a restaurant that is owned by CEO of which Portillo's owns 50% of the equity. AUM for FY 2023 consists of 53 weeks.

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

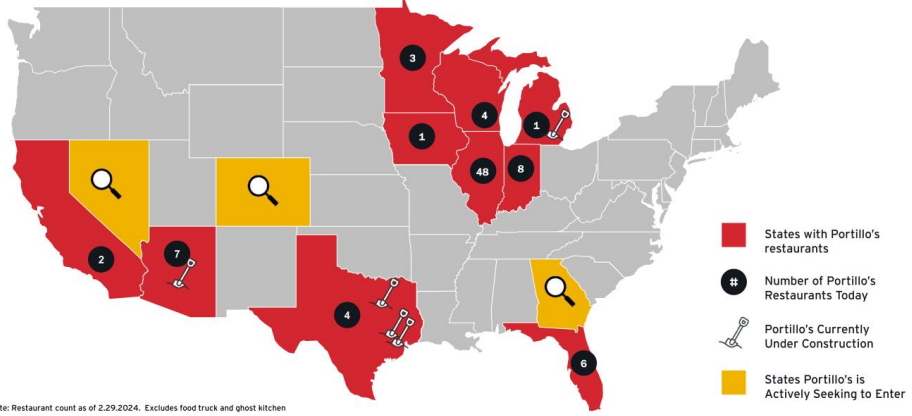
(3) Excludes a restaurant that is owned by CEO which Portillo's owns 50% of the equity.

(4) Based on data from Blackbox for non-management positions.

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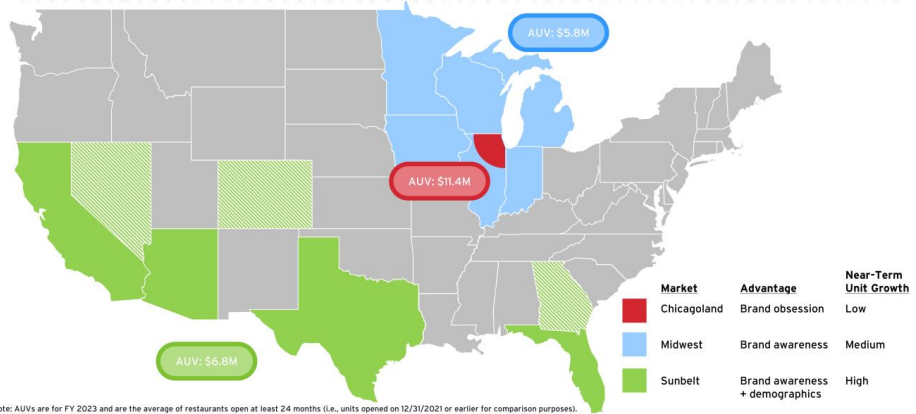


GROWING FASTER AND FURTHER THAN EVER *Portillo's*



Note: Restaurant count as of 2.29.2024. Excludes food truck and ghost kitchen
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DISTINCT & FOCUSED MARKET STRATEGIES *Portillo's*



Note: AUVs are for FY 2023 and are the average of restaurants open at least 24 months (i.e., units opened on 12/31/2021 or earlier for comparison purposes). Chicagoland AUV includes a restaurant that is owned by CEO of which Portillo's owns 50% of the equity. We use a 52- or 53-week fiscal year ending on the Sunday on or prior to December 31. FY 2023 consisted of 53 weeks and the 53rd week included Christmas day, resulting in six operating days.

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LONG-TERM GROWTH ALGORITHM

Portillo's

UNIT GROWTH
12%-15%

SAME RESTAURANT SALES
Low single digits

REVENUE GROWTH
Mid teens

ADJ. EBITDA GROWTH⁽¹⁾
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

Portillo's

(\$ IN THOUSANDS)

	Fiscal Year Ended
	December 31, 2023
Net Income	\$ 24,818
Depreciation and amortization	24,313
Interest expense	27,470
Interest income	(212)
Loss on debt extinguishment	3,465
Income tax expense	3,248
EBITDA	83,102
Deferred rent (1)	5,096
Equity-based compensation	15,542
ERP implementation costs (2)	401
Other income (3)	590
Transaction-related fees & expenses (4)	900
Tax Receivable Agreement liability adjustment (5)	(3,349)
Adjusted EBITDA	\$ 102,282
Adjusted EBITDA Margin (6)	15.0 %

(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.

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. The 53rd week in fiscal 2023 included Christmas Day, resulting in six operating days.

RESTAURANT-LEVEL ADJUSTED EBITDA RECONCILIATION *Portillo's*
 (\$ IN THOUSANDS)

	Fiscal Year Ended December 31, 2023
Operating income	\$ 55,440
General and administrative expenses	78,835
Pre-opening expenses	9,019
Depreciation and amortization	24,313
Net Income attributable to equity method investment	(1,401)
Other income, net	(1,035)
Restaurant-Level Adjusted EBITDA	\$ 165,171
Restaurant-Level Adjusted EBITDA Margin	24.3 %

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. The 53rd week in fiscal 2023 included Christmas Day, resulting in six operating days.

