Portsmouth Square Completes Strategic Refinancing of Hilton San Francisco Financial District Hotel

SAN FRANCISCO, CA — April 01, 2025 — Portsmouth Square, Inc. (OTC: PRSI) ("Portsmouth Square" or "the Company") today announced the successful refinancing of its flagship asset, the Hilton San Francisco Financial District Hotel. This strategic refinancing positions the Company for improved financial flexibility and stability in managing its premier hospitality asset.

The refinancing was executed through Justice Operating Company, LLC ("Justice"), a wholly owned subsidiary of Portsmouth Square. Justice secured a $67 million mortgage loan agreement with PRIME Finance, arranged by Eastdil Secured, LLC a leading global real estate investment banking firm. The loan carries a floating interest rate equal to the 30-day Secured Overnight Financing Rate (SOFR) plus 4.80%, and to proactively manage interest rate risk, Justice has secured an interest rate cap, limiting SOFR exposure to a maximum rate of 4.50%.

In addition, Justice Mezzanine Company, LLC another subsidiary of Portsmouth Square, has modified its existing mezzanine loan with CRED REIT Holdco LLC, obtaining a principal amount of $36.3 million at a fixed interest rate of 7.25% per annum. Both loans mature in two years, with options to extend for three additional one-year periods, providing added flexibility.

"This refinancing is a significant step in our strategic financial management, ensuring favorable terms and financial stability," said David Gonzalez, President of Portsmouth Square. "Securing this agreement highlights our commitment to prudent financial stewardship and positions us well for continued growth and long-term value creation."

Further details of the refinancing transactions will be available in the Company’s forthcoming periodic report filings with the Securities and Exchange Commission (SEC).

ABOUT PORTSMOUTH SQUARE, INC.

Portsmouth Square, Inc. is a California corporation, incorporated in 1967. Portsmouth is a public company and is a consolidated subsidiary of The InterGroup Corporation (NASDAQ: INTG). Portsmouth's principal business is conducted through its ownership of the Hilton San Francisco Financial District, a 544-room hotel located at 750 Kearny Street, San Francisco, CA 94108, including a five-level underground parking garage.

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