Churchill Downs Incorporated to Transform the Churchill Downs Racetrack Paddock

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$185 - $200 Million Project to Debut for the 150th Kentucky Derby in May 2024

LOUISVILLE, Ky., April 27, 2022 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated (“CDI”) (Nasdaq: CHDN) announced today the transformative Paddock redevelopment project (the “Paddock Project”) that will debut for the 150 th running of the Kentucky Derby in May 2024. The $185 - $200 million redesign is the final phase of a previously-announced three-year capital investment plan for Churchill Downs Racetrack (“Churchill Downs”) that will provide new, unique and extraordinary guest experiences for Kentucky Derby fans.

This project will transform the existing Paddock area in a manner that will enhance the experience for nearly every guest who enters the gates of the historic racetrack. The current Paddock configuration blocks views of the Twin Spires from the entrance gate and restricts circulation from the Clubhouse to the Grandstand. The bold new design will enhance visibility of the iconic Twin Spires, streamline guest circulation paths, update the audio visual experience and create additional value for guests by updating existing ticket products and amenities.

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/5db64c12-99b7-46ad-a16c-16fa8ff8cb96

The new design includes 12,000 square feet of guest space compared to the existing 5,000 square feet, increasing the capacity inside the Paddock from 1,000 to 2,400 people. The redevelopment will add various club spaces that will provide exclusive, intimate and behind-the-scenes equine-focused experiences unparalleled in all of sports and entertainment. Premium club seating options will include dining tables, rail boxes, custom Chef’s tables, cocktail service, reserved racetrack viewing areas and access to private amenities along with unprecedented Paddock views.

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/0e043531-5d9d-41b3-adc7-1c991225d08e

In total, the Paddock Project is expected to create 3,612 new premium reserved seats at various price and experience levels along with 3,250 new standing room-only tickets. The Paddock Project will also update select existing ticket inventory and improve Paddock views for front-side guests with the addition of elevated viewing platforms.

The Paddock redevelopment investment will follow the $44.5 million Homestretch Club project to debut this year during Kentucky Derby Week and the $89.2 million Turn 1 Experience that will open for the Kentucky Derby in 2023. Construction on the Paddock Project will begin after the 2022 Churchill Downs Spring Meet and is scheduled to accommodate the Racetrack’s live race dates with minimal disruption.

“This is one of the most significant construction projects in the history of Churchill Downs Racetrack because it significantly impacts what we consider to be the heart of the property,” said Bill Carstanjen, CEO of CDI. “We took great care to ensure this is designed in a way that would transform Churchill Downs while enhancing our ability to deliver on what our fans hope for and expect from us for generations to come.”

About Churchill Downs Incorporated

Churchill Downs Incorporated is an industry-leading racing, online wagering and gaming entertainment company anchored by our iconic flagship event, the Kentucky Derby. We own and operate three gaming entertainment venues with approximately 3,050 historical racing machines in Kentucky. We also own and operate TwinSpires, one of the largest and most profitable online wagering platforms for horse racing in the U.S. and we have nine retail sportsbooks. We are also a leader in brick-and-mortar casino gaming in eight states with approximately 11,000 slot machines and video lottery terminals and 200 table games. Additional information about Churchill Downs Incorporated can be found online at www.churchilldownsincorporated.com.

This news release contains various “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by the use of terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “predict,” “project,” “seek,” “should,” “will,” and similar words or similar expressions (or negative versions of such words or expressions).

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors, among others, that may materially affect actual results or outcomes include the following: the receipt of regulatory approvals on terms desired or anticipated, unanticipated difficulties or expenditures relating to the proposed transaction, including, without limitation, difficulties that result in the failure to realize expected synergies, efficiencies and cost savings from the proposed transaction within the expected time period (if at all), our ability to obtain financing on the anticipated terms and schedule, disruptions of our or P2E’s current plans, operations and relationships with customers and suppliers caused by the announcement and pendency of the proposed transaction, our and P2E’s ability to consummate a sale-leaseback transaction with respect to the Hard Rock Sioux City on terms desired or anticipated, the impact of the novel coronavirus (COVID-19) pandemic, including the emergence of variant strains, and related economic matters on our results of operations, financial conditions and prospects; the occurrence of extraordinary events, such as terrorist attacks, public health threats, civil unrest, and inclement weather; the effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit; additional or increased taxes and fees; the impact of significant competition, and the expectation the competition levels will increase; changes in consumer preferences, attendance, wagering, and sponsorships; loss of key or highly skilled personnel; lack of confidence in the integrity of our core businesses or any deterioration in our reputation; risks associated with equity investments, strategic alliances and other third-party agreements; inability to respond to rapid technological changes in a timely manner; concentration and evolution of slot machine and HRM manufacturing and other technology conditions that could impose additional costs; inability to negotiate agreements with industry constituents, including horsemen and other racetracks; inability to successfully focus on market access and retail operations for our TwinSpires Sports and Casino business and effectively compete; inability to identify

and / or complete acquisitions, divestitures, development of new venues or the expansion of existing facilities on time, on budget, or as planned; general risks related to real estate ownership and significant expenditures, including fluctuations in market values and environmental regulations; reliance on our technology services and catastrophic events and system failures disrupting our operations; online security risk, including cyber-security breaches, or loss or misuse of our stored information as a result of a breach, including customers' personal information, could lead to government enforcement actions or other litigation; personal injury litigation related to injuries occurring at our racetracks; compliance with the Foreign Corrupt Practices Act or applicable money-laundering regulations; payment-related risks, such as risk associated with fraudulent credit card and debit card use; work stoppages and labor issues; risks related to pending or future legal proceedings and other actions; highly regulated operations and changes in the regulatory environment could adversely affect our business; restrictions in our debt facilities limiting our flexibility to operate our business; failure to comply with the financial ratios and other covenants in our debt facilities and other indebtedness; and increase in our insurance costs, or obtain similar insurance coverage in the future, and inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events.

We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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