

CHURCHILL DOWNS

INCORPORATED

Churchill Downs Incorporated to Sell 49% of United Tote Company to the New York Racing Association, Inc.

August 11, 2022

LOUISVILLE, Ky., Aug. 11, 2022 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated ("CDI" or "Company") (Nasdaq: CHDN) announced today that the Company has entered into an agreement to sell 49% of United Tote Company ("United Tote"), a wholly-owned subsidiary of CDI, to NYRA Content Management Solutions, LLC, a subsidiary of the New York Racing Association, Inc. ("NYRA"). NYRA is a not-for-profit corporation that operates the three largest Thoroughbred horse racing tracks in the state of New York - Aqueduct Racetrack in South Ozone Park, Queens; Belmont Park in Elmont; and Saratoga Race Course in Saratoga Springs. The transaction is subject to usual and customary closing conditions, including applicable regulatory notices and approvals, and is expected to close by the end of 2022. As part of the agreement, the United Tote pari-mutuel settlements business will be excluded and will remain with CDI.

CDI and NYRA intend to work together to create and provide a comprehensive and efficient industry-leading pari-mutuel solution through United Tote that will expedite the expansion of horse racing seamlessly onto sports wagering platforms to reach new customers. Pending the appropriate regulatory approvals, NYRA will transition its pari-mutuel wager processing to United Tote in 2023 under a separate agreement.

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 entertainment venues with approximately 3,050 HRMs 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 eight 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.

About United Tote

United Tote is a leading supplier of totalisator systems, services and equipment and also provides technology services to process wagers and payouts and pari-mutuel tote services to leading racing operations including Churchill Downs Racetrack. United Tote also currently designs, manufactures and operates pari-mutuel wagering systems for more than 150 racing companies and numerous OTB facilities in North America and around the world.

About NYRA Content Management Solutions (NCMS)

NYRA Content Management Solutions (NCMS) is a limited liability corporation established by NYRA in 2019 as a simulcast purchase and sales agent for thoroughbred and standardbred racetracks across the country. In addition to negotiating content agreements for its clients, NCMS provides a variety of strategic consulting services.

About the New York Racing Association, Inc. (NYRA)

The New York Racing Association, Inc. (NYRA) holds the exclusive franchise to conduct thoroughbred racing at Aqueduct Racetrack, Belmont Park and Saratoga Race Course. NYRA tracks are the cornerstone of New York State's racing industry, which is responsible for 19,000 jobs and more than \$3 billion in annual economic impact. For additional information, visit NYRA.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, including the impact of inflation; 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, or fully realize the benefits of 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; 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; and risks in connection with Internal Revenue Code Section 1031 exchanges.

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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