



**FOR IMMEDIATE RELEASE**

Media Contact: Tonya Abeln

(502) 386-1742

Tonya.Abeln@KyDerby.com

**Churchill Downs Incorporated Enters  
Definitive Agreement to Acquire Ellis Park in Henderson, Kentucky**

*Acquisition of Historic Thoroughbred Racetrack Affords CDI the Opportunity  
to Construct Gaming and Entertainment Venue in Owensboro, Kentucky*

**LOUISVILLE, Ky. (September 15, 2022)** - Churchill Downs Incorporated ("CDI") (Nasdaq: CHDN) announced today that it has signed a definitive agreement to acquire Ellis Park Racing & Gaming ("Ellis Park") in Henderson, Kentucky, from Enchantment Holdings, LLC, an affiliate of Laguna Development Corporation, for total consideration of \$79 million in cash, subject to certain working capital and other purchase price adjustments. CDI will also assume Ellis Park's opportunity to construct a track extension facility in Owensboro, Kentucky.

"This is an exciting announcement for the horse racing industry, the cities of Henderson and Owensboro, and the entire Commonwealth of Kentucky," said Kentucky Governor Andy Beshear. "Churchill Downs has proven it has the experience, resources, and desire to reinvigorate Ellis Park into a premier racing destination and provide unmatched gaming entertainment."

Ellis Park, located north of the Ohio River and just south of Evansville, Indiana, celebrated 100 years of racing this year. In addition to being recognized as the historic home of summer Thoroughbred racing in Kentucky, Ellis Park also features a gaming facility venue with approximately 300 historical racing machines ("HRMs").

"We are very enthused to welcome Ellis Park to the Churchill Downs racing family," said Bill Carstanjen, Chief Executive Officer of CDI. "Our team is committed to building a summer meet at the 'Pea Patch' that keeps more Kentucky-bred horses and Kentucky-based trainers' in their home state while attracting top horse racing talent from across the country to the Bluegrass State each July and August."

"Churchill Downs Incorporated is a proven partner in communities it already operates in, providing both entertainment and economic development benefits," Speaker David Osborne said. "This acquisition is also a boost to one of our state's signature industries and the direct result of legislation we passed to help make our tracks more competitive. Churchill Downs' commitment to a year-round horse racing circuit in the Commonwealth is not only a smart business move, but also necessary to sustain and grow an industry that provides 80,000 jobs and millions to local and state economies."

"Churchill Downs Incorporated is stepping up to the plate as we push towards our common goal of ensuring Kentucky has the strongest year-round horse racing circuit in the country," said Sen. Damon Thayer. "With Churchill Downs' commitment to upgrading the racetrack infrastructure and enhancing the experience for equestrians and visitors, Ellis Park will now become an even better choice for summer racing. Investments like this were partly made possible by the great work of the General Assembly to adopt SB 120 in 2021. I look forward to continuing our work of bolstering Kentucky's signature equine industry in coming legislative sessions."

The closing of the transaction is contingent upon approval by the Kentucky Horse Racing Commission (“KHRC”). If change of control is approved, the parties expect to close the transaction shortly thereafter.

CDI has commenced planning to make both critical investments in the Ellis Park racing infrastructure and to construct Owensboro Racing & Gaming, a track extension and entertainment venue at Owensboro’s Towne Square Mall that will feature 600 HRMs, a simulcast wagering center, and multiple food and beverage offerings. Over the next year, CDI expects its total investment in Henderson and Daviess Counties to be approximately \$75 million in addition to the purchase price.

“The opportunity to bring Churchill Downs to Owensboro is particularly significant to us,” said Jason Sauer, Senior Vice President of Corporate Development for CDI, “We are eager to start the work to elevate Ellis Park’s reputation as a summer destination for Thoroughbred racing while delivering a premier gaming and entertainment experience to Daviess County. We look forward to sharing more exciting details about our plans in the coming days.”

“This is a big day for our city and region. The announcement that Churchill Downs Incorporated will purchase Ellis Park is great news” said Steve Austin, Mayor of Henderson, “Their plans to revamp the facility and provide unrivaled gaming entertainment will attract not only top-notch trainers and horses but also tourists and economic development. This investment will create jobs at the racetrack and gaming venue and increase employment opportunities in industries supporting those operations. Churchill Downs has proven to be a reliable community partner throughout the Commonwealth. We are excited to welcome them to Henderson and be working together.”

“Kentucky racing just took another step forward with the purchase of Ellis Park by Churchill Downs Incorporated,” said Rick Hiles, President of the Kentucky division of the Horsemen’s Benevolent and Protective Association (“KY HBPA”). “We’ve seen the results of CDI-owned properties and it is our pleasure as the KY HBPA to work with them to bring Ellis Park back to the place it use to be. We know as horsemen that they will do things right.”

### **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 four gaming entertainment venues with approximately 3,900 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 eight retail sportsbooks. We are a leader in brick-and-mortar casino gaming in eight states with approximately 11,800 slot machines and video lottery terminals and 250 table games. [www.churchilldownsincorporated.com](http://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, 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.