

CHURCHILL DOWNS
INCORPORATED



Operational Update
August 19, 2026

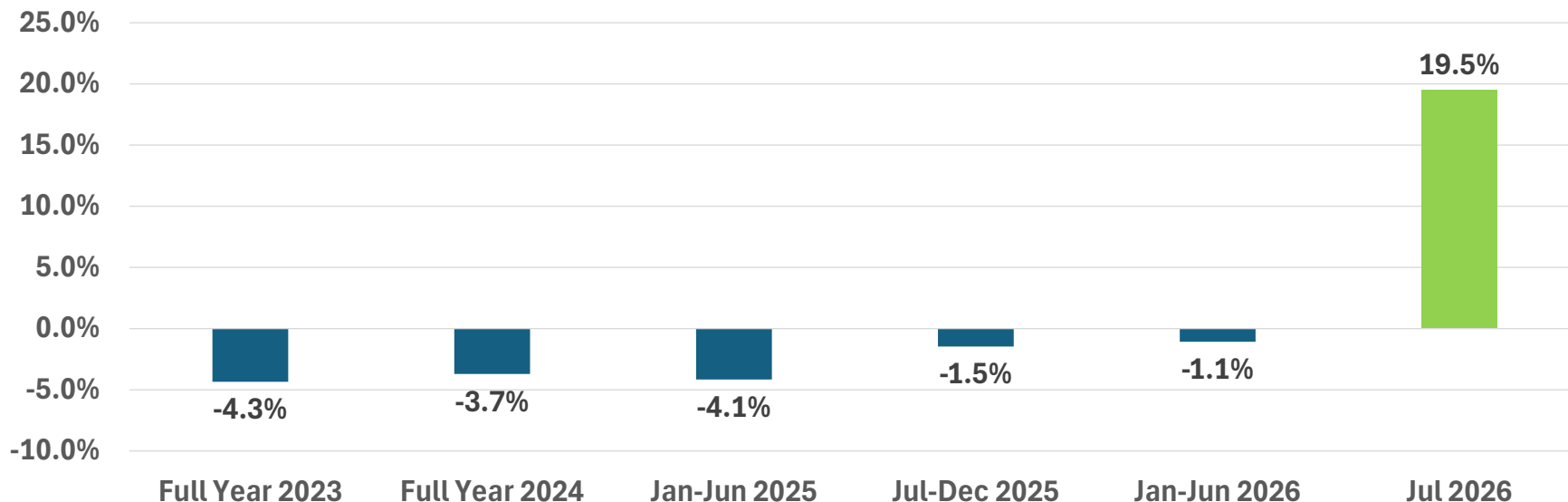
Agenda

- **Transaction Overview**
- **Special Conditions**
- **Revenue Trends**
- **Marketing Reinvestment**
- **Capital Investment**
- **Community Outreach and Giving**
- **Presque Isle Team Members**

Gaming Revenue Trends



Year over Year Gaming Revenue Change



- In July 2026, the first full month post the skill gaming ruling by the Pennsylvania Supreme Court, Presque Isle **generated its highest gaming revenue in four years**
- July gaming revenue was \$9.8M, representing 19.5% growth compared to July 2025
- Early August results also exhibit a marked increase from the time periods prior to the skill games ruling
- Generally, we have realized an easing in the declines over the past 12 months, beginning in the second half of 2025, with significant performance improvement in July

Marketing Reinvestment



- Over **\$23M** has been spent on marketing reinvestment at the property in the past 12 months, inclusive of free play offered, promotional reinvestment, advertising, payroll for our marketing and host team, etc.
- We have invested over **\$69M** marketing dollars over the past three years
- We continue to reinvest in our customers to drive profitable revenue to the property and generate tax revenue for the Commonwealth
- Our team continues to refine the marketing strategy to increase loyalty of existing customers and reactivate customers who have not visited in a period of time
- We have expanded our efforts on reactivation campaigns to reactivate customers who may have defected to skill game parlors

WIN A FORD EXPLORER!

GREAT ESCAPE FORD EXPLORER - GIVEAWAY -

PRE-QUALIFIER DRAWINGS
FRIDAYS, JULY 10 & 24
5PM-10PM
PLUS, AUGUST 7, 14, 21 & 28
AND SEPTEMBER 4

Three winners selected every 15 minutes to win \$100, \$150, \$200 or \$300 Free Play!
At 10PM, three players will select a key to see if they qualify for the Grand Prize Drawing.
Plus, \$500, \$1,000 or \$1,500 CASH prizes!
Grand Prize Drawing for a new Ford Explorer on September 6!

HOW TO QUALIFY:

- Receive one entry when you earn one point on drawing days starting at 7AM.
- Receive one Bonus Entry for every 200 points you earn on drawing days starting at 7AM.

Tier 2 = 25 Bonus Entries Tier 3 = 50 Bonus Entries Tier 4 = 100 Bonus Entries

Activate your entries at the kiosk one hour prior to the drawings. Free Play expires the same day at Midnight. Actual vehicle make and model may vary. Cash option available. See Guest Services for details.

PRESQUE ISLE DOWNS CASINO

GAMBLING PROBLEM? CALL 1-800-GAMBLER.

BEAT THE BOSS

FRIDAYS, JUNE 5, 12 & 19 • 5PM-9PM
WIN UP TO \$10,000 CASH!

Every 30 minutes, one winner will be selected to play our Beat the Boss game and win a guaranteed prize ranging from \$5 Free Play all the way up to \$10,000 CASH! Will you take what the Boss offers or keep playing for the top prize?

HOW TO QUALIFY:

- Receive one entry when you earn one point each promotional day starting at 7AM.
- Receive one Bonus Entry for every 200 points you earn each promotional day starting at 7AM.

TIER BONUS ENTRIES
Tier 2 = 25 Entries
Tier 3 = 50 Entries
Tier 4 = 100 Entries

- Activate your entries at the kiosk starting at 4PM

Free Play expires the same day at Midnight.

PRESQUE ISLE DOWNS CASINO

GAMBLING PROBLEM? CALL 1-800-GAMBLER.

Super 6 Saturday

SATURDAYS, AUGUST 1, 8, 15 & 22
3PM-10PM

Earn 20 points that day beginning at 7AM to pick your six lucky numbers after 1PM.
MATCH 2 OR MORE IN A SET TO WIN FREE PLAY OR YOUR SHARE OF THE PROGRESSIVE CASH JACKPOT!

Free Play expires the same day at Midnight.

PRESQUE ISLE DOWNS CASINO

GAMBLING PROBLEM? CALL 1-800-GAMBLER.

Capital Investments



Churchill Downs continues to invest in the property through a variety of capital projects. In 2025 and thus far in 2026, we have invested **\$2.5M** in capital projects to continue to improve the property

Capital Projects in 2025 and 2026 (\$000s)	
New Slot Machines	\$410
Property Enhancements	\$701
G&D Count Machines	\$350
Kitchen Improvement	\$150
IT Projects	\$319
Safety Enhancements	\$202
Weapon Detection System	\$100
Track Improvements	\$225
Replace Table Games Cheques	\$87
Total	\$2,544



SPOOKY LINK

**THUNDER
EMPIRE**

Community Outreach



- Presque Isle Downs and Casino continues to be an active community partner with over \$465k contributed to the community in 2025 and projecting \$488k in 2026
- Our Team Members also continue to volunteer their time in the community through various events and with multiple organizations (American Red Cross Relay for Life, NAMI mental health, volunteer fire departments)

2025 Give \$5 Get \$10 Charitable Donations

➤ January	American Red Cross of Erie	\$ 28,373
➤ February	Erie Summit Lions Club	\$ 31,684
➤ March - May	Boys & Girls Club of Erie	\$ 124,555
➤ June	Erie Community Foundation (Erie Gives)	\$ 40,487
➤ July	Veterans Miracle Center	\$ 42,717
➤ August	Julia Hospice & Palliative Care	\$ 43,231
➤ September	Warriors to Washington	\$ 40,871
➤ October	Erie United Methodist Alliance	\$ 41,133
➤ November	Sarah Reed Senior Living	\$ 40,074
➤ December	National Alliance on Mental Illness (NAMI)	\$ 32,489
		\$ 465,614

2026 Give \$5 Get \$10 Charitable Donations

➤ January	American Red Cross of Erie	\$ 32,815
➤ February	Perry Highway Hose Company	\$ 35,971
➤ March - May	Boys & Girls Club of Erie	\$ 124,520
➤ June	Erie Community Foundation (Erie Gives)	\$ 39,924
➤ July	Veterans Miracle Center	\$ 47,206
➤ August	Warriors to Washington	\$ 45,268
➤ September*	Galloping for Good	\$ 42,796
➤ October*	Barber National Institute	\$ 43,071
➤ November*	Chosen & Cancer Society (Relay for Life)	\$ 41,962
➤ December*	SV Children's Miracle Center	\$ 34,019
		\$ 487,552

*Forecasted Donation



Community Outreach



Erie Gives



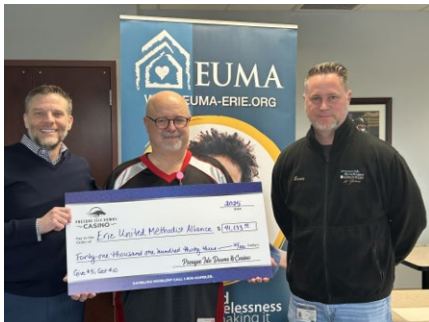
Second Harvest Food Bank



Warriors to Washington



Erie United Methodist Association



Erie United Methodist Association



Warriors to Washington



Presque Isle Team Members



- Presque Isle is proud to employ nearly 500 Team Members at the facility with good paying jobs
- In fiscal year 2026, total payroll expenditures were **\$20.3M**
- We have **30** Team Members who have been with the property since opening in 2007 and **148** Team Members who've been at Presque Isle for 10+ years

Multiple team member events throughout year to provide a great place to work:

- Pizza day executives serve pizza to all shifts
- Taco Bar and Salsa contest
- Burgers and hot dogs in July
 - Sidewalk chalk contest
 - School supply giveaway for any employees needing items
- September hog roast
- Christmas sweater contest
- Holiday Sunshine fund auction
- Events also feature Gary and Matt Unplugged, an opportunity for employees to spend time with senior leadership at the property



Awards the Property Won in 2026



- 2026 Presque Isle Awards for Pennsylvania
 - Best Overall Racino
 - Best Fine Dining
 - Best Casual Dining
 - Best Casino
 - Best High-End Slot Area
 - Best Table Games
 - Racino Where You Feel the Luckiest
 - Best Players Club
 - Best Promotions
 - Best Live Racing
 - Best View



Pennsylvania: Presque Isle Downs & Casino, Churchill's Bourbon & Brew



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