

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **November 5, 2025**

**PENN Entertainment, Inc.**

(Exact Name of Registrant as Specified in Charter)

**Pennsylvania**  
(State or Other Jurisdiction of  
Incorporation)

**0-24206**  
(Commission File  
Number)

**23-2234473**  
(I.R.S. Employer Identification No.)

**825 Berkshire Blvd., Suite 200  
Wyomissing, PA 19610**  
(Address of Principal Executive Offices, and Zip Code)

**610-373-2400**  
Registrant's Telephone Number, Including Area Code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common Stock, \$0.01 par value per share</b>	<b>PENN</b>	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### **Item 1.01 Entry into a Material Definitive Agreement.**

The information set forth in Item 8.01 of this Current Report on Form 8-K with respect to the Investment Agreement Amendment (as defined below) is incorporated into this Item 1.01 by reference.

### **Item 2.02 Results of Operations and Financial Condition.**

On November 6, 2025, PENN Entertainment, Inc. (the “Company”) issued a press release announcing the results of operations and financial condition for the three months ended September 30, 2025. A copy of this press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K.

### **Item 7.01 Regulation FD Disclosure.**

On November 6, 2025, the Company and ESPN, Inc. (“ESPN”) issued a press release announcing that the Company and ESPN have mutually agreed upon the early termination of their sportsbook agreement (the “Sportsbook Agreement”), effective December 1, 2025 (the “Termination Date”). A copy of this press release is being furnished as Exhibit 99.2 to this Current Report on Form 8-K.

The information in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.2 hereto, is being furnished to the U.S. Securities and Exchange Commission (“SEC”) and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. This information shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference to such filing.

### **Item 8.01 Other Events.**

#### *Termination of the Sportsbook Agreement*

On November 5, 2025, the Company, ESPN and ESPN Enterprises, Inc. entered into an agreement (the “Termination Agreement”) to terminate the Sportsbook Agreement, effective on the Termination Date. The Termination Agreement provides that upon the Termination Date, (i) the Company will cease using all ESPN trademarks, including “ESPN BET”, and re-brand its sportsbook from “ESPN BET” to “theScore Bet” (or another brand as determined in the Company’s sole discretion), (ii) all integrations, and any other exclusivities, and any planned traditional media purchases provided under the Sportsbook Agreement will cease and (iii) all functionality to link ESPN accounts to ESPN BET accounts will be removed. The Termination Agreement provides that if the Company has not received all necessary regulatory approvals for the rebranding of its sportsbook prior to the Termination Date, then the Company shall have the right to continue using “ESPN BET Sportsbook” as the name of its sportsbook until two (2) business days following the date that the Company has received all necessary regulatory approvals for the rebranding (but in any event no later than December 15, 2025 unless the parties have agreed to an extension).

The Termination Agreement provides that the Company will pay ESPN a total of \$38.1 million in the fourth quarter of 2025 in respect of all remaining fees owed through the Termination Date. In addition, the Company has agreed to pay ESPN a total of \$5 million following the Termination Date for traditional media to support theScore Bet and/or Hollywood iCasino offerings. The Termination Agreement provides that these payments will settle all outstanding payment obligations from the Company to ESPN under the Sportsbook Agreement.

ESPN has agreed that for a period of fifteen (15) months following the Termination Date it will not (i) license the “ESPN BET” brand to another sportsbook for the purposes of re-branding such sportsbook as “ESPN BET” within the United States or (ii) itself operate a sportsbook within the United States named “ESPN BET”.

The Termination Agreement provides that the Company and ESPN will continue to own their respective end user data.

#### *Amendment to the Investment Agreement*

On November 5, 2025, in connection with entry into the Termination Agreement, the Company and ESPN entered into an Amendment No. 1 to Investment Agreement (the “Investment Agreement Amendment”) to amend certain terms of the Investment Agreement, dated as of August 8, 2023, by and between the Company and ESPN (the “Investment Agreement”). Pursuant to the Investment Agreement Amendment, on November 5, 2025, each Initial Warrant (as defined in the Investment Agreement) was deemed vested through and including February 8, 2026, such that (i) the Tranche A Warrant (as defined in the Investment Agreement) represents the right to purchase 3,177,610 shares of the Company common stock, par value \$0.01 per share (“Shares”), with an exercise price of \$26.08, (ii) the Tranche B Warrant (as defined in the Investment Agreement) represents the right to purchase 3,200,930 Shares with an exercise price of \$29.99 and (iii) the Tranche C Warrant (as defined in the Investment Agreement) represents the right to purchase 1,578,670 Shares with an exercise price of \$32.60.

The Investment Agreement Amendment provides that effective as of November 5, 2025, the unvested portion of each Initial Warrant was immediately and automatically forfeited and canceled for no consideration without any further action required by the Company or ESPN and the Company will have no obligation to issue any Bonus Warrant (as defined in the Investment Agreement).

The Investment Agreement Amendment also provides that the definition of “Fall-Away of Purchaser Board Rights” will be amended to mean December 1, 2025 and that the Purchaser Board Observer (as defined in the Investment Agreement) will immediately resign from the board of directors of the Company (the “Board”) on December 1, 2025 in accordance with the Investment Agreement.

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The summary of the Investment Agreement Amendment in this Current Report on Form 8-K is qualified by reference to the full text of the Investment Agreement Amendment, which is included as Exhibit 4.1 to this Current Report on Form 8-K, and which is incorporated herein by reference.

The Investment Agreement Amendment has been attached as an exhibit to this Current Report on Form 8-K in order to provide investors and security holders with information regarding its terms. It is not intended to provide any other information about the Company, ESPN or their respective subsidiaries and affiliates or to modify or supplement any factual disclosures about the Company in its public reports filed with the SEC. The covenants contained in the Investment Agreement Amendment were made only for purposes of such agreement and as of specific dates, are solely for the benefit of the parties to the Investment Agreement Amendment, may be subject to limitations agreed upon by the parties. Investors should not rely on the covenants or any description thereof as characterizations of the actual state of facts or condition of the Company, ESPN or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the covenants may change after the date of the Investment Agreement Amendment, which subsequent information may or may not be fully reflected in public disclosures by the Company, ESPN or their subsidiaries or affiliates.

#### *Share Repurchase Program*

On October 30, 2025, the Board approved a new \$750 million share repurchase program, subject to the finalization of and entry into the Termination Agreement and the Investment Agreement Amendment. The new three-year authorization commences on January 1, 2026 and expires on December 31, 2028 and will take effect after the Company's existing \$750 million share repurchase program expires on December 31, 2025. Repurchases by the Company will be subject to available liquidity, general market and economic conditions, alternate uses for the capital and other factors. Share repurchases may be made from time to time through a 10b5-1 trading plan, open market transactions, block trades or in private transactions in accordance with applicable securities laws and regulations and other legal requirements. There is no minimum number of shares that the Company is required to repurchase and the repurchase program may be suspended or discontinued at any time without prior notice.

Rule 10b5-1 allows a company to purchase its shares at times when it otherwise might be prevented from doing so under insider trading laws or because of self-imposed trading blackout periods. Under a 10b5-1 plan, the Company's third party broker, subject to the rules and regulations of the SEC, will have authority to repurchase the Company's common stock in the open market or through privately negotiated transactions in accordance with the terms of such 10b5-1 plan.

#### **Forward Looking Statement**

This Current Report on Form 8-K contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward-looking terminology such as "expects," "believes," "estimates," "projects," "intends," "plans," "goal," "seeks," "may," "will," "should," "look forward to," or "anticipates" or the negative or other variations of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Specifically, forward-looking statements include, but are not limited to, statements regarding the amount and timing of the Company's potential share repurchases and the Company's available liquidity, general market and economic conditions.

These statements are based upon management's current expectations, assumptions and estimates and are not guarantees of timing, future results, or performance. Therefore, you should not rely on any of these forward-looking statements as predictions of future events. Actual results may differ materially from those contemplated in these statements due to a variety of risks, uncertainties and other factors, including the possibility that the Company's repurchase programs may be suspended or discontinued; economic factors and market conditions and their impact on the Company's ability to finance and effect share repurchases; and those factors described in the Company's filings with the SEC, including the Company's current reports on Form 8-K, quarterly reports on Form 10-Q and its annual report on Form 10-K for the year ended December 31, 2024. Forward-looking statements speak only as of the date they are made and, except for the Company's ongoing obligations under the U.S. federal securities laws, the Company undertakes no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

#### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
4.1	<a href="#">Amendment No. 1 to Investment Agreement, dated as of November 5, 2025, by and between PENN Entertainment, Inc. and ESPN, Inc.</a>
99.1	<a href="#">Press release dated November 6, 2025 of PENN Entertainment, Inc. (furnished under Item 2.02)</a>
99.2	<a href="#">Press release dated November 6, 2025 of PENN Entertainment, Inc. and ESPN, Inc. (furnished under Item 7.01)</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 6, 2025

PENN Entertainment, Inc.

By: /s/ Christopher Rogers

Christopher Rogers

Executive Vice President, Chief Strategy and Legal Officer and Secretary

**AMENDMENT NO. 1 TO INVESTMENT AGREEMENT**

This **AMENDMENT NO. 1** (this "Amendment") to the INVESTMENT AGREEMENT, dated as of August 8, 2023 (the "Agreement"), by and between PENN Entertainment, Inc., a Pennsylvania corporation (the "Company"), and ESPN, Inc., a Delaware corporation (the "Purchaser" and together with the Company, the "Parties"), is made as of November 5, 2025.

WHEREAS, concurrently with entry into this Amendment, the Parties are entering into a termination agreement with respect to the Commercial Agreement (the "Termination Agreement"); and

WHEREAS, in connection with entry into the Termination Agreement and the transactions contemplated thereby, the Parties wish to enter into this Amendment in accordance with Section 6.02 of the Agreement.

NOW, THEREFORE, in consideration of the agreements contained in this Amendment and the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, on the terms and subject to the conditions of this Amendment, the Parties agree as follows:

1. All capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.
2. Notwithstanding anything to the contrary contained in the Agreement or any Warrant:
  - a. On November 5, 2025 (the "Effective Date"), each Initial Warrant shall be deemed vested through and including February 8, 2026, such that on and following the Effective Date, the Initial Warrants will represent the right to purchase the following number of shares of Common Stock:

Initial Warrant	Vested Warrant Shares as of the Effective Date
Tranche A	3,177,610
Tranche B	3,200,930
Tranche C	1,578,670

- b. Effective as of the Effective Date, (i) the unvested portion of each Initial Warrant shall be immediately and automatically forfeited and canceled for no consideration without any further action required by any Party and (ii) the Company shall have no obligation to issue any Bonus Warrant.
    - c. The definition of Fall-Away of Purchaser Board Rights is hereby amended and restated to read in its entirety as follows:

"Fall-Away of Purchaser Board Rights" means December 1, 2025.
    - d. In accordance with Section 5.09(c) of the Agreement, on December 1, 2025, the Purchaser Board Observer shall immediately resign from the Board.

e. References to Zachary S. Podolsky and ZSPodolsky@wlrk.com in the Agreement and the Initial Warrants shall be replaced with Daniel A. Neff and DANeff@wlrk.com.

3. Except for the foregoing amendments, the Parties acknowledge and agree that the Agreement remains in full force and effect, unamended, and, upon the execution of this Amendment, this Amendment shall be deemed to form a part of the Agreement.
4. Sections 6.02 through 6.13 of the Agreement are incorporated by reference into this Amendment, *mutatis mutandis*.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, the parties have duly executed this Amendment to the Agreement as of the date first written above.

**PENN ENTERTAINMENT, INC.**

By: /s/ Christopher Rogers  
Name: Christopher Rogers  
Title: Executive Vice President, Chief  
Strategy and Legal Officer

**ESPN, INC.**

By: /s/ Michael T. Morrison  
Name: Michael T. Morrison  
Title: Vice President, Sports Betting &  
Fantasy

*[Signature Page to Amendment No. 1 to Investment Agreement]*



## **PENN Entertainment, Inc. Reports Third Quarter Results and Announces Realignment of Digital Focus Following Termination of ESPN Alliance**

WYOMISSING, PA (November 6, 2025) - PENN Entertainment, Inc. ("PENN" or the "Company") (Nasdaq: PENN) today reported financial results for the three and nine months ended September 30, 2025, and announced a realignment of its digital focus following the mutual decision for an early termination (the "Termination Agreement") of its U.S. online sports betting ("OSB") agreement with ESPN, Inc. ("ESPN").

Pursuant to the agreed termination, the Company's OSB marketing exclusivity with ESPN will end on December 1, 2025. Other key terms of the Termination Agreement are as follows:

- Cash payments to ESPN terminate at the end of the fourth quarter in 2025;
- ESPN will retain vested warrants to purchase 7,957,210 shares with a weighted strike price of \$28.95<sup>1</sup>;
- All unvested warrants and performance warrants will be forfeited by ESPN; and
- PENN to rebrand OSB offering in the U.S. to theScore Bet, with a target date of December 1, 2025, subject to regulatory approvals.

As stated in the joint release issued this morning by PENN and ESPN, Jay Snowden, Chief Executive Officer and President, said: "When we first announced our partnership with ESPN, both sides made it clear that we expected to compete for a podium position in the space. Although we made significant progress in improving our product offering and building a cohesive ecosystem with ESPN, we have mutually and amicably agreed to wind down our collaboration."

Snowden added, "PENN's unique omnichannel strategy is anchored in a diverse portfolio of market-leading regional casinos and a complementary digital business. We are realigning our digital focus to leverage the strength of our U.S. iCasino and Canadian operations, while continuing to use OSB to drive both the acquisition of customers with significant lifetime value and unique cross-sell opportunities across PENN's retail and digital assets.

### **Realignment of Digital Focus: Leverage Strength in U.S. iCasino and Canadian Operations with Emphasis on Omnichannel Benefits**

"PENN's iCasino forward approach has clear long-term alignment to our core business, which will focus on cross-sell opportunities across our ecosystem and enhanced connectivity to our 33 million member PENN Play™ loyalty program. Our OSB offerings will continue to provide top of funnel acquisition and cross-sell opportunities for our Hollywood-branded iCasino, which will remain integrated into our OSB product in states where legal, in addition to serving as a standalone iCasino app. We will operate with a more efficient cost structure, including replacing fixed media spending with performance based and regionally targeted marketing that complement our casino footprint.

<sup>1</sup> The warrants are subject to net settlement in stock or cash at PENN's option. At an assumed exercise price of \$28.95, the vested warrants would represent potential dilution of 319,952 shares.

The realignment will free up resources to strategically invest in the North American markets with strong return potential which we expect will drive enhanced unit economics and profitability.”

**OSB Strategy Highlights:**

- theScore Bet, which is delivering strong results in Ontario, will be the Company’s unified OSB brand across the U.S. and Canada, and will be deeply integrated into our digital sports media app, theScore;
- theScore has approximately 4 million monthly active users (“MAUs”) across North America; and
- PENN retains a database of 2.9 million digital users acquired during the ESPN relationship, including 300 thousand acquired this football season.

**Third Quarter Retail Property Level Highlights<sup>2</sup>:**

- Revenues of \$1.4 billion;
- Segment Adjusted EBITDAR of \$465.8 million; and
- Segment Adjusted EBITDAR margins of 32.8%.

Mr. Snowden continued: “Demand was generally stable in our core business across gaming and non-gaming amenities during the quarter, particularly at our properties not impacted by new supply or increased competitor promotional activity. Our third-quarter performance was driven by strong results at our properties in our West segment, as well as in Ohio, St. Louis, and Illinois. We also saw increases in theoretical revenue across all rated worth segments of our retail portfolio, along with overall growth in visitation and spend per visit. The fourth quarter is off to a solid start and we are encouraged by early trends at our new Hollywood Casino in Joliet, which is driving both gaming and non-gaming volumes and database growth through its best-in-market offering. As previously disclosed, the second hotel tower at M Resort Spa Casino Las Vegas is scheduled to open on December 1, subject to regulatory approvals, and we are pleased to announce the upcoming openings of the new Hollywood Casino in Aurora and new hotel tower at Hollywood Columbus late in the second quarter of 2026.

**Third Quarter Interactive Segment Highlights:**

- Revenues of \$297.7 million (including tax gross up of \$139.5 million); and
- Adjusted EBITDA loss of \$76.6 million.

“Gaming revenues and Adjusted EBITDA in the quarter came in below expectations due to customer-friendly hold across our digital operations and lower than anticipated OSB volumes. Meanwhile, our North America iCasino business achieved its highest quarterly gaming revenue to date, an improvement of nearly 40% year-over-year, driven by record cross-sell from OSB of 62% and growth from our standalone Hollywood and theScore Bet iCasino apps. The momentum in our iCasino business continues to benefit from growing average MAUs, which experienced the third consecutive quarter of year-over-year and quarter-over-quarter increases,” concluded Mr. Snowden.

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<sup>2</sup> Property level consists of retail operating segments which are composed of our Northeast, South, West, and Midwest reportable segments.

### **Share Repurchase Authorization Update**

During the three months ended September 30, 2025, the Company repurchased 7,965,282 shares of its common stock in open market transactions for \$154.1 million at an average price of \$19.34 per share. During the nine months ended September 30, 2025, the Company repurchased 15,214,631 shares of its common stock in open market transactions for \$269.4 million at an average price of \$17.70 per share.

Through November 5, 2025, PENN has repurchased \$354.4 million of shares in connection with its previously stated goal to repurchase at least \$350 million of shares this year.

As of November 5, 2025, the remaining availability under our December 2022 Authorization was \$395.4 million.

On October 30, 2025, the Company's Board of Directors authorized a new \$750 million share repurchase program, which begins on January 1, 2026, and expires on December 31, 2028. This program is incremental to the December 2022 authorization, which expires on December 31, 2025.

### **Liquidity and Financial Position**

Total liquidity as of September 30, 2025 was \$1.1 billion inclusive of \$660.1 million in Cash and cash equivalents. Traditional net debt as of the end of the quarter was \$2.2 billion. On November 3, 2025, PENN received \$150 million in funding from Gaming and Leisure Properties, Inc. at a 7.79% capitalization rate in connection with the second hotel tower construction at the M Resort Las Vegas.

## Summary of Third Quarter Results

<i>(in millions, except per share data, unaudited)</i>	For the three months ended September 30,	
	2025	2024
Revenues	\$ 1,717.3	\$ 1,639.2
Net loss	\$ (865.1)	\$ (37.5)
Consolidated Adjusted EBITDA <sup>(1)</sup>	\$ 194.9	\$ 193.5
Rent expense associated with triple net operating leases <sup>(2)</sup>	158.1	154.9
Cash payments to our REIT Landlords under Triple Net Leases <sup>(3)</sup>	\$ 241.9	\$ 238.0
Diluted loss per common share	\$ (6.03)	\$ (0.24)

(1) For more information, definitions, and reconciliations see the "Non-GAAP Financial Measures" section below.

(2) Consists of the operating lease components contained within our triple net master lease dated November 1, 2013 with Gaming and Leisure Properties, Inc. (Nasdaq: GLPI) ("GLPI"), that was amended and restated effective January 1, 2023 (referred to as the AR PENN Master Lease); our triple net master lease entered in conjunction with and coterminous to the AR PENN Master Lease (referred to as the 2023 Master Lease); as well as our individual triple net leases with VICI Properties Inc. (NYSE: VICI) ("VICI") for the real estate assets used in the operations of Margaritaville Resort Casino (referred to as the Margaritaville Lease) and Hollywood Casino at Greektown (referred to as the Greektown Lease) and referred to collectively as our "triple net operating leases." The expense related to operating lease components contained within our triple net operating leases are recorded as "General and administrative" within the unaudited Consolidated Statements of Operations.

(3) Consists of total cash payments made to GLPI and VICI (referred to collectively as our "REIT Landlords") under our triple net operating leases (as defined above), the Pinnacle Master Lease, and the Morgantown Lease and collectively referred to as our "Triple Net Leases."

## Adjusted EPS

The following table reconciles diluted loss per share ("EPS") to Adjusted EPS (approximate EPS impact shown, per share; positive adjustments represent charges to income):

	For the three months ended September 30,	
	2025	2024
<b>Diluted loss per share</b>	\$ (6.03)	\$ (0.24)
Impairment loss <sup>(1)</sup>	5.75	—
Gain on disposal of assets	(0.01)	—
Transaction related expenses	0.01	0.01
Pre-opening expenses	0.07	—
Legal matters inclusive of litigation settlements	0.04	—
Non-operating items:		
Gain on REIT transaction, net	(0.02)	—
Gain related to debt and equity investments	—	(0.02)
Income tax impact on adjustments <sup>(2)</sup>	(0.03)	—
<b>Adjusted EPS</b>	\$ (0.22)	\$ (0.25)

(1) The impairment loss related to the PENN Interactive reporting unit does not generate a tax benefit because goodwill impairment is a non-deductible permanent item under Canadian tax law.

(2) The income tax impact reflects current and deferred tax effects based on the nature of each adjustment and the applicable tax jurisdiction.

**PENN ENTERTAINMENT, INC. AND SUBSIDIARIES**  
**Supplemental Information**

The Company aggregates its operations into five reportable segments: Northeast, South, West, Midwest, and Interactive.

<i>(in millions, unaudited)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Revenues:</b>				
Northeast segment <sup>(1)</sup>	\$ 690.5	\$ 684.8	\$ 2,083.0	\$ 2,065.8
South segment <sup>(2)</sup>	291.0	288.1	881.5	884.8
West segment <sup>(3)</sup>	138.3	131.8	405.7	395.9
Midwest segment <sup>(4)</sup>	298.3	292.2	878.2	881.5
Interactive <sup>(5)</sup>	297.7	244.6	903.9	684.9
Other <sup>(6)</sup>	4.1	4.0	15.1	15.9
Intersegment eliminations <sup>(7)</sup>	(2.6)	(6.3)	(12.6)	(19.7)
<b>Total revenues</b>	<b>\$ 1,717.3</b>	<b>\$ 1,639.2</b>	<b>\$ 5,154.8</b>	<b>\$ 4,909.1</b>
<b>Segment Adjusted EBITDAR <sup>(8)</sup>:</b>				
Northeast segment <sup>(1)</sup>	\$ 197.9	\$ 199.3	\$ 601.6	\$ 606.6
South segment <sup>(2)</sup>	97.7	106.4	305.8	331.3
West segment <sup>(3)</sup>	51.1	47.5	150.3	144.0
Midwest segment <sup>(4)</sup>	119.1	118.5	354.7	365.4
Interactive <sup>(5)</sup>	(76.6)	(90.9)	(227.6)	(389.7)
Other <sup>(6)</sup>	(36.2)	(32.4)	(110.5)	(86.0)
Rent expense associated with triple net operating leases	(158.1)	(154.9)	(470.0)	(464.6)
<b>Consolidated Adjusted EBITDA <sup>(9)</sup></b>	<b>\$ 194.9</b>	<b>\$ 193.5</b>	<b>\$ 604.3</b>	<b>\$ 507.0</b>

(1) The Northeast segment consists of the following properties: Ameristar East Chicago, Hollywood Casino at Greektown, Hollywood Casino Bangor, Hollywood Casino at Charles Town Races, Hollywood Casino Columbus, Hollywood Casino Lawrenceburg, Hollywood Casino Morgantown, Hollywood Casino at PENN National Race Course, Hollywood Casino Perryville, Hollywood Casino Toledo, Hollywood Casino York, Hollywood Gaming at Dayton Raceway, Hollywood Gaming at Mahoning Valley Race Course, Marquee by PENN, Hollywood Casino at The Meadows, and Plainridge Park Casino.

(2) The South segment consists of the following properties: 1<sup>st</sup> Jackpot Casino, Ameristar Vicksburg, Boomtown Biloxi, Boomtown Bossier City, Boomtown New Orleans, Hollywood Casino Gulf Coast, Hollywood Casino Tunica, L'Auberge Baton Rouge, L'Auberge Lake Charles, and Margaritaville Resort Casino.

(3) The West segment consists of the following properties: Ameristar Black Hawk, Cactus Petes and Horseshu, M Resort Spa Casino, and Zia Park Casino.

(4) The Midwest segment consists of the following properties: Ameristar Council Bluffs, Argosy Casino Alton, Argosy Casino Riverside, Hollywood Casino Aurora, Hollywood Casino Joliet, our 50% investment in Kansas Entertainment, LLC, which owns Hollywood Casino at Kansas Speedway, Hollywood Casino St. Louis, Prairie State Gaming, and River City Casino.

(5) The Interactive segment includes all of our online sports betting, online casino/iCasino and social gaming operations, management of retail sports betting, and media. Interactive revenues are inclusive of a tax gross-up of \$139.5 million and \$104.1 million for the three months ended September 30, 2025 and 2024, respectively, and \$405.6 million and \$302.8 million for the nine months ended September 30, 2025 and 2024, respectively.

(6) The Other category, included in the tables to reconcile the segment information to the consolidated information, consists of the Company's stand-alone racing operations, namely Sanford-Orlando Kennel Club, Sam Houston and Valley Race Park, the Company's joint venture interests in Freehold Raceway (which ceased operations on December 28, 2024) and our management contract for Retama Park Racetrack. The Other category also includes corporate overhead, which consist of certain expenses, such as: payroll, professional fees, travel expenses, and other general and administrative expenses that do not directly relate to or have not otherwise been allocated. Corporate overhead was \$34.0 million and \$29.1 million for the three months ended September 30, 2025 and 2024, respectively, and \$108.7 million and \$78.5 million for the nine months ended September 30, 2025 and 2024, respectively. Corporate overhead for the three and nine months ended September 30, 2025, include \$3.9 million and \$21.0 million, respectively, of legal and advisory costs related to activist activity in connection with our 2025 annual meeting of shareholders.

(7) Primarily represents the elimination of intersegment revenues associated with our retail sportsbooks, which are operated by PENN Interactive.

(8) See definition of Segment Adjusted EBITDAR within the "Reportable Segment Measures" section below.

(9) See definition of Consolidated Adjusted EBITDA within the "Non-GAAP Financial Measures" section below.

**PENN ENTERTAINMENT, INC. AND SUBSIDIARIES**  
**Reconciliation of Net Loss to Consolidated Adjusted EBITDA**

<i>(in millions, unaudited)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Net loss</b>	\$ (865.1)	\$ (37.5)	\$ (771.9)	\$ (179.5)
Income tax (benefit) expense	5.3	2.8	59.4	(13.0)
Interest expense, net	97.2	118.4	303.9	356.9
Interest income	(2.3)	(6.3)	(7.6)	(19.2)
Income from unconsolidated affiliates	(8.2)	(7.1)	(29.1)	(22.1)
Gain on REIT transaction, net <sup>(1)</sup>	(3.3)	—	(3.3)	—
Gain on financing arrangement	—	—	(215.1)	—
Loss on early extinguishment of debt	—	—	11.8	—
Other income	—	(2.8)	(4.2)	(2.5)
Operating income (loss)	(776.4)	67.5	(656.1)	120.6
Stock-based compensation	16.8	12.9	48.5	39.0
Cash-settled stock-based awards variance <sup>(2)</sup>	(2.9)	(3.8)	(9.2)	(14.9)
Loss (gain) on disposal of assets	(1.5)	(0.1)	(1.2)	8.8
Pre-opening expenses	9.6	—	14.5	—
Depreciation and amortization	114.2	108.7	332.7	326.5
Impairment losses <sup>(3)</sup>	825.0	—	840.0	—
Income from unconsolidated affiliates	8.2	7.1	29.1	22.1
Non-operating items of equity method investments <sup>(4)</sup>	1.1	1.1	3.3	3.2
Other expenses	0.8	0.1	2.7	1.7
<b>Consolidated Adjusted EBITDA</b>	<b>\$ 194.9</b>	<b>\$ 193.5</b>	<b>\$ 604.3</b>	<b>\$ 507.0</b>

(1) Relates to lease modification events associated with our development projects.

(2) Our cash-settled stock-based awards are adjusted to fair value each reporting period based primarily on the price of the Company's common stock. As such, significant fluctuations in the price of the Company's common stock during any reporting period could cause significant variances to budget on cash-settled stock-based awards.

(3) Includes impairment charges of \$15.0 million in the Midwest segment and \$825.0 million in the Interactive segment.

(4) Consists primarily of depreciation expense associated with our Kansas Entertainment joint venture.

**PENN ENTERTAINMENT, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Operations**  
(Unaudited)

<i>(in millions, except per share data, unaudited)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
<b>Revenues</b>				
Gaming	\$ 1,325.2	\$ 1,288.0	\$ 3,991.2	\$ 3,878.6
Food, beverage, hotel, and other	392.1	351.2	1,163.6	1,030.5
Total revenues	1,717.3	1,639.2	5,154.8	4,909.1
<b>Operating expenses</b>				
Gaming	852.4	826.1	2,575.9	2,576.7
Food, beverage, hotel, and other	284.2	244.4	831.1	715.2
General and administrative	417.9	392.5	1,231.2	1,170.1
Depreciation and amortization	114.2	108.7	332.7	326.5
Impairment losses	825.0	—	840.0	—
Total operating expenses	2,493.7	1,571.7	5,810.9	4,788.5
Operating income (loss)	(776.4)	67.5	(656.1)	120.6
<b>Other income (expenses)</b>				
Interest expense, net	(97.2)	(118.4)	(303.9)	(356.9)
Interest income	2.3	6.3	7.6	19.2
Income from unconsolidated affiliates	8.2	7.1	29.1	22.1
Gain on REIT transaction, net	3.3	—	3.3	—
Gain on financing arrangement	—	—	215.1	—
Loss on early extinguishment of debt	—	—	(11.8)	—
Other	—	2.8	4.2	2.5
Total other expenses	(83.4)	(102.2)	(56.4)	(313.1)
<b>Loss before income taxes</b>	(859.8)	(34.7)	(712.5)	(192.5)
Income tax benefit (expense)	(5.3)	(2.8)	(59.4)	13.0
<b>Net loss</b>	(865.1)	(37.5)	(771.9)	(179.5)
Net loss attributable to non-controlling interest	0.5	0.8	1.7	1.3
<b>Net loss attributable to PENN Entertainment, Inc.</b>	\$ (864.6)	\$ (36.7)	\$ (770.2)	\$ (178.2)
<b>Loss per share:</b>				
Basic loss per share	\$ (6.03)	\$ (0.24)	\$ (5.20)	\$ (1.17)
Diluted loss per share	\$ (6.03)	\$ (0.24)	\$ (5.20)	\$ (1.17)
Weighted-average common shares outstanding—basic	143.5	152.2	148.2	152.1
Weighted-average common shares outstanding—diluted	143.5	152.2	148.2	152.1

## Selected Financial Information and GAAP to Non-GAAP Reconciliations

<i>(in millions, unaudited)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Cash and cash equivalents	\$ 660.1	\$ 706.6
<b>Total traditional debt</b>	<b>\$ 2,853.4</b>	<b>\$ 2,596.1</b>
Cash and cash equivalents	(660.1)	(706.6)
<b>Traditional net debt <sup>(1)</sup></b>	<b>\$ 2,193.3</b>	<b>\$ 1,889.5</b>
Amended Revolving Credit Facility due 2027	\$ 510.0	\$ —
Amended Term Loan A Facility due 2027	460.6	481.3
Amended Term Loan B Facility due 2029	967.5	975.0
5.625% Notes due 2027	400.0	400.0
4.125% Notes due 2029	400.0	400.0
2.75% Convertible Notes due 2026	106.7	330.5
Other long-term obligations	8.6	9.3
<b>Total traditional debt</b>	<b>2,853.4</b>	<b>2,596.1</b>
Financing obligation <sup>(2)</sup>	—	201.2
Debt discounts and debt issuance costs	(18.9)	(26.6)
	<b>\$ 2,834.5</b>	<b>\$ 2,770.7</b>
<b>Total traditional debt</b>	<b>\$ 2,853.4</b>	<b>\$ 2,596.1</b>
Cash and cash equivalents	(660.1)	(706.6)
Cash rent payments to REIT landlords <sup>(3)</sup>	7,690.4	7,603.2
	<b>\$ 9,883.7</b>	<b>\$ 9,492.7</b>
Consolidated Adjusted EBITDA <sup>(4)</sup>	\$ 769.5	\$ 672.2
Rent expense associated with triple net operating leases <sup>(4)</sup>	\$ 625.5	\$ 620.1
Lease-adjusted net leverage ratio <sup>(1)</sup>	7.1x	7.3x
Traditional net leverage <sup>(1)</sup>	5.1x	5.5x

(1) See "Non-GAAP Financial Measures" section below for more information as well as the definitions of Traditional net debt, Lease-adjusted net leverage ratio, and Traditional net leverage.

(2) Represented cash proceeds received and non-cash interest on certain claims of which the principal repayment was contingent and classified as a financing obligation under Accounting Standards Codification Topic 470, "Debt" in the prior year.

(3) Amount equals 8 times the total cash rent payments to REIT landlords for the trailing twelve months.

(4) Balance is presented on a trailing twelve months basis.

## Cash Flow Data

The table below summarizes certain cash expenditures incurred by the Company.

<i>(in millions, unaudited)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cash payments to our REIT Landlords under Triple Net Leases	\$ 241.9	\$ 238.0	\$ 721.9	\$ 711.0
Cash payments (refunds) related to income taxes, net	\$ —	\$ (2.0)	\$ 6.0	\$ (1.1)
Cash paid for interest on traditional debt	\$ 39.6	\$ 46.5	\$ 97.4	\$ 128.7
Capital expenditures	\$ 172.7	\$ 132.1	\$ 457.3	\$ 261.7

## Reportable Segment Measures

Segment Adjusted EBITDAR is our measure of profit or loss for our reportable segments and underlying operating segments. We define Segment Adjusted EBITDAR as earnings before interest expense, net, interest income, income taxes, depreciation and amortization, stock-based compensation, debt extinguishment charges, impairment losses, insurance recoveries, net of deductible charges, changes in the estimated fair value of our contingent purchase price obligations, gain or loss on disposal of assets, the difference between budget and actual expense for cash-settled stock-based awards, pre-opening expenses, loss on disposal of a business, non-cash gains/losses associated with REIT transactions, and other. Segment Adjusted EBITDAR excludes rent expense associated with triple net operating leases (which is a normal, recurring cash operating expense necessary to operate our business). Segment Adjusted EBITDAR is inclusive of income or loss from unconsolidated affiliates, with our share of non-operating items (such as interest expense, net, and depreciation and amortization) added back for our Kansas Entertainment, LLC joint venture. Segment Adjusted EBITDAR margin is Segment Adjusted EBITDAR divided by related segment revenues.

## Non-GAAP Financial Measures

The Non-GAAP Financial Measures used in this press release include Consolidated Adjusted EBITDA, Adjusted EPS, Traditional net debt, Traditional net leverage ratio, and Lease-adjusted net leverage ratio. These non-GAAP financial measures should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP.

We define Consolidated Adjusted EBITDA as earnings before interest expense, net, interest income, income taxes, depreciation and amortization, stock-based compensation, debt extinguishment charges, impairment losses, insurance recoveries, net of deductible charges, changes in the estimated fair value of our contingent purchase price obligations, gain or loss on disposal of assets, the difference between budget and actual expense for cash-settled stock-based awards, pre-opening expenses, loss on disposal of a business, non-cash gains/losses associated with REIT transactions, and other. Consolidated Adjusted EBITDA is inclusive of income or loss from unconsolidated affiliates, with our share of non-operating items (such as interest expense, net, and depreciation and amortization) added back for our Kansas Entertainment, LLC joint venture. Consolidated Adjusted EBITDA is inclusive of rent expense associated with our triple net operating leases with our REIT landlords. Although Consolidated Adjusted EBITDA includes rent expense associated with our triple net operating leases, we believe Consolidated Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our consolidated results of operations.

Consolidated Adjusted EBITDA has economic substance because it is used by management as a performance measure to analyze the performance of our business, and is especially relevant in evaluating large, long-lived casino-hotel projects because it provides a perspective on the current effects of operating decisions separated from the substantial non-operational depreciation charges and financing costs of such projects. We present Consolidated Adjusted EBITDA because it is used by some investors

and creditors as an indicator of the strength and performance of ongoing business operations, including our ability to service debt, and to fund capital expenditures, acquisitions, and operations. These calculations are commonly used as a basis for investors, analysts and credit rating agencies to evaluate and compare operating performance and value companies within our industry. In order to view the operations of their casinos on a more stand-alone basis, gaming companies, including us, have historically excluded from their Consolidated Adjusted EBITDA calculations certain corporate expenses that do not relate to the management of specific casino properties. However, Adjusted Consolidated EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP. Consolidated Adjusted EBITDA information is presented as a supplemental disclosure, as management believes that it is a commonly used measure of performance in the gaming industry and that it is considered by many to be a key indicator of the Company's operating results.

Adjusted EPS is diluted earnings or loss per share adjusted to exclude gains/losses on the disposal of a business, non-cash gains/losses associated with REIT transactions, impairment losses, pre-opening expenses, debt extinguishment charges, gains/losses on the disposal of assets, foreign currency gains/losses, transaction related expenses, business interruption insurance proceeds, net gains/losses related to equity investments, and other.

Adjusted EPS is a non-GAAP measure and is presented solely as a supplemental disclosure to reported GAAP measures because management believes this measure is useful in providing period-to-period comparisons of the results of the Company's operations to assist investors in reviewing the Company's operating performance over time. Management believes it is useful to exclude certain items when comparing current performance to prior periods because these items can vary significantly depending on specific underlying transactions or events. Further, management believes certain excluded items may not relate specifically to current operating trends or be indicative of future results. Adjusted EPS should not be construed as an alternative to GAAP earnings per share as an indicator of the Company's performance.

We calculate Traditional net debt as Total traditional debt, which is the principal amount of debt outstanding (excludes the financing obligation associated with cash proceeds received and non-cash interest on certain claims of which the principal repayment is contingent) less Cash and cash equivalents. Management believes that Traditional net debt is an important measure to monitor leverage and evaluate the balance sheet. With respect to Traditional net debt, Cash and cash equivalents are subtracted from the GAAP measure because they could be used to reduce the Company's debt obligations. A limitation associated with using Traditional net debt is that it subtracts Cash and cash equivalents and therefore may imply that there is less Company debt than the most comparable GAAP measure indicates. Management believes that investors may find it useful to monitor leverage and evaluate the balance sheet.

The Company's Traditional net leverage ratio is defined as Traditional net debt (as defined above) divided by (i) Consolidated Adjusted EBITDA (as defined above) for the trailing twelve months plus (ii) rent expense associated with triple net operating leases for the trailing twelve months less (iii) cash rent payments to REIT landlords for the trailing twelve months. Management believes this measure is useful as a supplemental measure and provides an indication of the results generated by the Company in relation to its level of indebtedness with the cash generated from Company operations.

The Company's Lease-adjusted net leverage ratio's numerator is calculated as cash rent payments to REIT landlords for the trailing twelve months capitalized at 8 times plus Traditional net debt (as defined above). The Company's Lease-adjusted net leverage ratio's denominator is Consolidated Adjusted EBITDA (as defined above) for the trailing twelve months plus rent expense associated with triple net operating leases for the trailing twelve months. Management believes this measure is useful as a supplemental measure and provides an indication of the results generated by the Company in relation to its level of indebtedness (including leases) with the cash generated from Company operations.

Each of these non-GAAP financial measures is not calculated in the same manner by all companies and, accordingly, may not be an appropriate measure of comparing performance among different companies. See the tables above, which present reconciliations of these measures to the GAAP equivalent financial measures.

### **Management Presentation, Conference Call, Webcast and Replay Details**

PENN is hosting a conference call and simultaneous webcast at 9:00 a.m. E.T. today, both of which are open to the general public. During the call, management will review a presentation regarding the quarter and recent developments that can be accessed at <http://investors.pennentertainment.com/events-and-presentations/presentations>.

The conference call number is 203-518-9765 (conference ID: PENN); please call five minutes in advance to ensure that you are connected prior to the presentation. Interested parties may also access the live call at [www.pennentertainment.com](http://www.pennentertainment.com); allow 15 minutes to register, download, and install any necessary software. Questions and answers will be reserved for call-in analysts and investors. A replay of the call can be accessed for thirty days at <http://www.pennentertainment.com>.

This press release, which includes financial information to be discussed by management during the conference call and disclosure and reconciliation of non-GAAP financial measures, is available on the Company's web site, <http://www.pennentertainment.com/corp/investors> (select link for "Press Releases").

### **About PENN Entertainment, Inc.**

PENN Entertainment, Inc., together with its subsidiaries ("PENN," or the "Company," "we," "our," or "us"), operates in 28 jurisdictions throughout North America, with a broadly diversified portfolio of casinos, racetracks, and online sports betting and iCasino offerings. PENN's focus is on organic cross-sell opportunities, reinforced by its market-leading retail casinos, sports media assets and technology, including a proprietary state-of-the-art, fully integrated digital sports betting and iCasino platform, and an in-house iCasino content studio. The Company's portfolio is further bolstered by its industry-leading PENN Play™ customer loyalty program, offering its over 33 million members a unique set of rewards and experiences.

### **Forward Looking Statements**

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward-looking terminology such as "expects," "believes," "estimates," "projects," "intends," "plans," "goal," "seeks," "may," "will," "should," "look forward to," or "anticipates" or the negative or other variations of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Specifically, forward-looking statements include, but are not limited to, statements regarding: the Company's expectations of future results of operations and financial condition, including, but not limited to, projections of revenue, Segment Adjusted EBITDAR, Consolidated Adjusted EBITDA, and other financial measures; the assumptions provided regarding the guidance, including the scale and timing of the Company's product and technology investments; the Company's expectations regarding results and customer growth and the impact of competition in retail/mobile/online sportsbooks, iCasino, social gaming, and retail operations; the Company's development and launch of its Interactive segment's products in new jurisdictions and enhancements to existing Interactive segment products, including the content for theScore Bet and Hollywood iCasino, and the further development of theScore Bet on our proprietary player account management system and risk and trading platforms; the Company's expectations regarding the rebranding of our U.S. OSB product to theScore Bet and the future success of theScore Bet, Hollywood iCasino and its other digital offerings; the Company's expectations with respect to share repurchases; the Company's expectations with respect to the integration and synergies related to the Company's integration of theScore and the continued growth and monetization of the Company's media business; the Company's expectations that its portfolio of assets provides a benefit of

geographically-diversified cash flows from operations; management's plans and strategies for future operations, including statements relating to the Company's plan to expand gaming operations through the implementation and execution of a disciplined capital expenditure program at our existing properties, the pursuit of strategic acquisitions and investments, and the development of new gaming properties, including the development projects and the anticipated benefits; improvements, expansions, or relocations of our existing properties; entrance into new jurisdictions; expansion of gaming in existing jurisdictions; strategic investments and acquisitions; cross-sell opportunities between our retail gaming, online sports betting, and iCasino businesses; our ability to obtain financing for our development projects on attractive terms; the timing, cost and expected impact of planned capital expenditures on the Company's results of operations; and the actions of regulatory, legislative, executive, or judicial decisions at the federal, state, provincial, or local level with regard to our business and the impact of any such actions.

Such statements are all subject to risks, uncertainties and changes in circumstances that could significantly affect the Company's future financial results and business. Accordingly, the Company cautions that the forward-looking statements contained herein are qualified by important factors that could cause actual results to differ materially from those reflected by such statements. Such factors include: the effects of economic and market conditions in the markets in which the Company operates or otherwise, including the impact of global supply chain disruptions, price inflation, changes in interest rates, economic downturns, changes in trade policies, and geopolitical and regulatory uncertainty; competition with other retail and online gaming and sports betting, entertainment and sports content experiences; the timing, cost and expected impact of product and technology investments; risks relating to operations, permits, licenses, financings, approvals and other contingencies in connection with growth in new or existing jurisdictions; our ability to successfully acquire and integrate new properties and operations and achieve expected synergies from acquisitions; the availability of future borrowings under our Amended Credit Facilities or other sources of capital to enable us to service our indebtedness, make anticipated capital expenditures or pay off or refinance our indebtedness prior to maturity; the impact of indemnification obligations under the Barstool SPA; our ability to realize the anticipated benefits of our iCasino forward strategy and the rebranding of our U.S. online sports betting product to theScore Bet; our ability to attract and retain user adoption of theScore Bet and Hollywood iCasino apps in a rapidly evolving and highly competitive market; the impact of the termination of the Sportsbook Agreement; the outcome of any legal proceedings that may be instituted against the Company, or its respective directors, officers or employees; the ability of the Company to retain and hire key personnel; the impact of new or changes in current laws, regulations, rules or other industry standards; the impact of activist shareholders; adverse outcomes of litigation involving the Company, including litigation brought by activist shareholders; our ability to maintain our gaming licenses and concessions and comply with applicable gaming law, changes in current laws, regulations, rules or other industry standards, and additional factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the U.S. Securities and Exchange Commission. The Company does not intend to update publicly any forward-looking statements except as required by law. Considering these risks, uncertainties and assumptions, the forward-looking events discussed in this press release may not occur.

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### **PENN Entertainment and ESPN Mutually Agree to Early Termination of U.S. Online Sports Betting Agreement**

WYOMISSING, Pa. and BRISTOL, Conn., Nov. 6, 2025 -- PENN Entertainment, Inc. (Nasdaq: PENN) ("PENN") and ESPN, Inc. ("ESPN") today announced that they have mutually agreed upon the early termination of their exclusive U.S. online sports betting ("OSB") agreement, effective December 1, 2025.

Under the terms of the original commercial agreement, announced in August 2023, ESPN agreed to provide PENN with media, marketing services and the exclusive right to the ESPN BET trademark for OSB in the U.S. in exchange for \$150 million per year in cash payments to ESPN and warrants to purchase common stock of PENN. The agreement had an initial term of 10 years, with the right for either party to terminate the agreement after the third year if specific market share performance thresholds were not met.

"When we first announced our partnership with ESPN, both sides made it clear that we expected to compete for a podium position in the space," said Jay Snowden, CEO and President of PENN Entertainment. "Although we made significant progress in improving our product offering and building a cohesive ecosystem with ESPN, we have mutually and amicably agreed to wind down our collaboration. We plan to realign our digital focus on our growing iCasino business, while continuing to capitalize on our omnichannel advantage as the nation's leading regional retail casino operator."

Snowden continued, "Looking ahead, we plan to rebrand our OSB offering in the U.S. to theScore Bet<sup>®</sup>, with a target date of December 1, 2025 to coincide with the expected launch of sports betting in Missouri, subject to regulatory approvals. We currently operate theScore Bet brand in Ontario, and our OSB product across both the U.S. and Canada will now leverage connectivity with the theScore media app, which has approximately 4 million monthly active users across North America. Our OSB offerings will continue to provide a top of funnel cross-sell opportunity for our Hollywood-branded iCasino, which will remain integrated into our OSB product offering in states where legal, in addition to serving as a standalone iCasino app."

Jimmy Pitaro, Chairman of ESPN, said, "Together, ESPN and PENN created a truly unique offering with unparalleled integrations across our various media assets. ESPN drove over 2.9 million new users into the PENN ecosystem, with a strong uptick in first time bettors this fall. We appreciate the collaboration we had with PENN and are now pursuing other media and marketing opportunities within this space."

All outstanding payments to ESPN will cease in the fourth quarter of 2025. Leading up to and following the termination date, ESPN will work with PENN to facilitate a transition from ESPN BET to theScore Bet<sup>®</sup>. PENN will continue to be an ESPN advertising client.

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## **About PENN Entertainment**

PENN Entertainment, Inc., together with its subsidiaries (“PENN,” or the “Company”), operates in 28 jurisdictions throughout North America, with a broadly diversified portfolio of casinos, racetracks, and online sports betting and iCasino offerings. PENN’s focus is on organic cross-sell opportunities, reinforced by its market-leading retail casinos, sports media assets and technology, including a proprietary state-of-the-art, fully integrated digital sports betting and iCasino platform, and an in-house iCasino content studio. The Company’s portfolio is further bolstered by its industry-leading PENN Play™ customer loyalty program, offering its over 33 million members a unique set of rewards and experiences.

## **About ESPN**

ESPN, the world’s leading multiplatform sports entertainment brand, features eight U.S. television networks, the leading sports app, direct-to-consumer ESPN+, leading social and digital platforms, ESPN.com, ESPN Audio, endeavors on every continent around the world, and more. ESPN is 80 percent owned by ABC, Inc. (an indirect subsidiary of The Walt Disney Company) and 20 percent by Hearst.

## **Forward Looking Statement**

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward-looking terminology such as “expects,” “believes,” “estimates,” “projects,” “intends,” “plans,” “goal,” “seeks,” “may,” “will,” “should,” “look forward to,” or “anticipates” or the negative or other variations of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Specifically, forward-looking statements include, but are not limited to, statements regarding the timing of PENN’s rebranding of its U.S. OSB product. These statements are based upon management’s current expectations, assumptions and estimates and are not guarantees of timing, future results, or performance.

Therefore, you should not rely on any of these forward-looking statements as predictions of future events. Actual results may differ materially from those contemplated in these statements due to a variety of risks, uncertainties and other factors, including those factors described in PENN Entertainment’s filings with the Securities and Exchange Commission (the “SEC”), including PENN Entertainment’s current reports on Form 8-K, quarterly reports on Form 10-Q and its annual report on Form 10-K for the year ended December 31, 2024. Forward-looking statements speak only as of the date they are made and, except for PENN Entertainment’s ongoing obligations under the U.S. federal securities laws, PENN Entertainment undertakes no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

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