FORWARD-LOOKING STATEMENTS

This presentation 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," 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: PENN's strategic growth and investment strategies (including PENN's execution of its highly-differentiated strategy and the timing thereof); the inclusion of a Hollywood-branded integrated iCasino product in the ESPN BET Sportsbook; the integration of the ESPN BET Sportsbook into the ESPN ecosystem; the benefits of the Sportsbook Agreement between the Company and ESPN; the benefit to ESPN BET of the Company's experience, market access and technology platform; the expansion of the Company's digital footprint and growth of its customer ecosystem; the Company's expectations of future results of operations and financial condition, 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 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 the ESPN BET and theScore Bet Sportsbook and Casino apps and the expected timing of the rebrand of the Barstool Sportsbook as ESPN BET on our proprietary player account management system and risk and trading platforms, the Company's expectations regarding its Sportsbook Agreement with ESPN and the future success of its products; and 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.

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; competition with other entertainment, sports content, and casino gaming experiences; the timing, cost and expected impact of product and technology investments; risks relating to international operations, permits, licenses, financings, approvals and other contingencies in connection with growth in new or existing jurisdictions; the Company may not be able to achieve the anticipated financial returns from the Sportsbook Agreement with ESPN, including due to fees, costs, taxes or circumstances beyond the Company's or ESPN's control; the rebranding of the Barstool Sportsbook as ESPN BET or the inclusion of Hollywood-branded iCasino products may be delayed, or in certain jurisdictions may not occur at all, for reasons beyond our control, including due to any delays in the receipt of, or failure to receive, any required regulatory approvals; the ability to successfully integrate ESPN BET, theScore and PENN's iCasino products and the costs and fees associated with such integrations; potential adverse reactions or changes to business or regulatory relationships resulting from the announcement or performance of the Sportsbook Agreement with ESPN or the divestiture of Barstool Sports, Inc.; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the Company and ESPN to terminate the Sportsbook Agreement between the companies; liabilities, costs and fees in connection with the divestiture of Barstool Sports, Inc. and the transition from the Barstool Sportsbook and other uses of intellectual property of Barstool Sports, Inc., including in the Company's retail locations; the ability of the Company and ESPN to agree to extend the initial 10-year term of the Sportsbook Agreement on mutually satisfactory terms, if at all, and the costs and obligations of such terms if agreed; the acceleration of the vesting of the warrants issued to ESPN in certain circumstances; the outcome of any legal proceedings that may be instituted against the Company, ESPN or their 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; and additional risks and uncertainties described in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, 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 presentation may not occur.
Non-GAAP Financial Measures

NON-GAAP FINANCIAL MEASURES

Non-GAAP Financial Measures used in this investor presentation includes Adjusted EBITDA, Adjusted EBITDAR, 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. 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.

We define 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; non-cash gains/losses associated with REIT transactions; non-cash gains/losses associated with partial and step acquisitions as measured in accordance with ASC 805 “Business Combinations”; and other. Adjusted EBITDA is inclusive of income or loss from unconsolidated affiliates, with our share of non-operating items (such as interest expense, net; income taxes; depreciation and amortization; and stock-based compensation expense) added back for Barstool Sports, Inc. (prior to our acquisition of Barstool Sports, Inc. on February 17, 2023) and our Kansas Entertainment, LLC (joint venture. Adjusted EBITDA is inclusive of rent expense associated with our triple net operating leases with our REIT landlords. Although Adjusted EBITDA includes rent expense associated with our triple net operating leases, we believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our consolidated results of operations.

Adjusted EBITDA has economic significance 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 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 Adjusted EBITDA calculations certain corporate expenses that do not relate to the management of specific casino properties. However, Adjusted EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP. 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.

We define Adjusted EBITDAR as Adjusted EBITDA (as defined above) plus rent expense associated with triple net operating leases (which is a normal, recurring cash operating expense necessary to operate our business). Adjusted EBITDAR is presented on a consolidated basis outside the financial statements solely as a valuation metric. Management believes that Adjusted EBITDAR is an additional metric traditionally used by analysts in valuing gaming companies subject to triple net leases since it eliminates the effects of variability in leasing methods and capital structures. This metric is included as a supplemental disclosure because (i) we believe Adjusted EBITDAR is traditionally used by gaming operator analysts and investors to determine the equity value of gaming operators and (ii) Adjusted EBITDAR is one of the metrics used by other financial analysts in valuing our business. We believe Adjusted EBITDAR is useful for equity valuation purposes because (i) its calculation isolates the effects of financing real estate; and (ii) using a multiple of Adjusted EBITDAR to calculate enterprise value allows for an adjustment to the balance sheet to recognize estimated liabilities arising from operating leases related to real estate. However, Adjusted EBITDAR when presented on a consolidated basis is not a financial measure in accordance with GAAP, and should not be viewed as a measure of overall operating performance or considered in isolation or as an alternative to net income because it excludes the rent expense associated with our triple net operating leases and is provided for the limited purposes referenced herein.

The Company’s traditional net leverage ratio’s numerator is calculated as “total traditional debt” which is the principal amount of debt outstanding (and excludes the financing obligation associated with cash proceeds and non-cash interest on certain claims of which the principal repayment is contingent) less “Cash and cash equivalents.” We believe that this 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 this metric is useful as a supplemental measure to investors as many may find it useful to monitor leverage and evaluate the balance sheet. Further, the Company’s traditional net leverage ratio’s denominator is calculated as Adjusted EBITDAR (as defined above) for the trailing 12 months less cash rent payments to REIT landlords.

The Company’s lease-adjusted net leverage ratio’s numerator is calculated as cash rent payments to REIT landlords capitalized at 8 times plus total traditional debt (as defined above), less Cash and cash equivalents. Further, the Company’s lease-adjusted net leverage ratio’s denominator is Adjusted EBITDAR (as defined above) for the trailing 12 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) as well as evaluating the Company’s ability to sustain given debt levels (including leases) with the cash generated from Company operations.

The Company does not provide a reconciliation of projected Adjusted EBITDAR and Adjusted EBITDA because it is unable to predict with reasonable accuracy the value of certain adjustments that may significantly impact the Company’s results, including realized and unrealized gains and losses on equity securities, re-measurement of cash-settled stock-based awards, contingent purchase payments associated with prior acquisitions, and income tax (benefit) expense, which are dependent on future events that are out of the Company’s control or that may not be reasonably predicted.
TODAY’S SPEAKERS

Jay Snowden
Chief Executive Officer
PENN Entertainment

Mike Morrison
VP, Sports Betting & Fantasy
ESPN
Our portfolio of best-in-class properties generate significant free-cash flow and, together with our strong balance sheet, provide ample capacity to pursue our growth initiatives, de-lever and return capital to shareholders.

As of June 30, 2023

- **$1.3b** Cash Balance
- **$2.2b** Total Liquidity
- **1.5x** Traditional Net Leverage Ratio
- **4.7x** Lease-Adjusted Net Leverage Ratio

No near-term debt maturities

(1) Liquidity is calculated as unrestricted cash plus revolver availability, net of Letters of Credit outstanding.
(2) Numerator is calculated as “Total traditional debt” which is the principal amount of debt outstanding (and excludes the financing obligation associated with cash proceeds and non-cash interest on certain claims of which the principal repayment is Contingent) less “Cash and cash equivalents”; denominator is Adjusted EBITDAR for the trailing 12 months ended June 30, 2023 less cash rent payments to REIT landlords.
(3) Numerator is cash rent payments to REIT landlords capitalized at 8x plus Total traditional debt, less Cash and cash equivalents; denominator is Adjusted EBITDAR for the trailing 12 months ended June 30, 2023.
Our four retail growth projects will provide strong returns and cash flow upon opening in 4Q 2025 / 1Q 2026, and the launch of ESPN BET creates a compelling growth opportunity for our interactive business.
• Exclusive and highly strategic relationship between PENN and ESPN

• Barstool Sportsbook to be rebranded as ESPN BET in all U.S. jurisdictions, while theScore Bet will continue to operate in Ontario

• 10-year term subject to potential early termination rights after year 3

• PENN’s annual cash payments of $150m cover comprehensive marketing services, including linear, digital, CRM, in-program integrations, odds attribution and talent costs and the exclusive right to use the “ESPN BET” trademark in the U.S. across all OSB digital channels

• Highly aligned incentives
  o Mike Morrison, VP, Sports Betting & Fantasy, is ESPN’s Board observer(1)
  o ESPN received warrants in PENN equity worth $500m(2)

• ESPN BET to launch in November 2023

(1) ESPN has the right to convert the observer to a Board appointment following year 3 of the agreement. Effective as of December 1, 2023.
(2) Calculation is based on inputs agreed upon and contained within the transaction agreements, which may be different from the Company’s valuation in accordance with ASC 718 “Compensation—Stock Compensation.”
Efficient customer acquisition through exclusive ESPN access & deep integrations

Exclusive & Integrated

Combination of leading gaming operator and #1 U.S. sports media platform

Synergistic Relationship

Best-In-Class Tech Stack

Cutting-edge proprietary tech provides first rate product offering & user experience

Highly Aligned

ESPN BET’s success is mutually beneficial through warrants and ongoing collaboration

Compelling Value Creation

$500 million to $1 billion+ Interactive Adj. EBITDA potential with retail cross-sell upside

ESPN BET: THE FUTURE OF SPORTS MEDIA & BETTING
ESPN BET: PERFECT TIMING + UNTAPPED MARKET

Substantial Category Growth

22%

annual growth 2018-23, 3x active bettors in the US

26M US adults placed a sports bet in 2023

Inflection Point in Public Perception

85%

of the US public is supportive or neutral about sports betting

Category is seen as far more open. Today’s bettor can be any sports fan

Untapped Market of Casual Fans

70M

total potential betters, with +21M in last year alone

New bettors are likely casual fans, skew female, and are eager to find their betting home
PENN AND ESPN

Brand Centric Approach

• 100% Commitment to ESPN BET
• ESPN BET brand unlocks ESPN’s best-in-class creative, marketing, tech, and media talent
• PENN’s experience and success with media-integrated growth

Tech & Product

• PENN’s proprietary, fully in-house technology stack
• Seamless connectivity and complementary platforms
• Deep integrations into ESPN ecosystem will be key differentiator

Culture

• Aligned and inclusive mindset across organizations
• Cross-functional work streams, deep collaboration from Day 1
• Structured to foster innovation, growth and market leadership
UNIFIED EXPERIENCE WITH MASSIVE SCALE

BEFORE
A cluster of multiple brands

NOW
Unified with ONE BRAND

NEXT
Across the entire ESPN ecosystem

200M US users every month

Exclusive PLATFORMS
• ESPN App #1
• ESPN Social #1 Sports Social Channel
• ESPN Fantasy #1
• ESPN+ 30,000 Live Events
• ESPN BET programming
• Odds exclusively from ESPN BET

Exclusive Integration w/ ESPN IP
• Exclusive Access to ESPN Talent
• Exclusive Editorial Integration
• Exclusive Promotional Units
• SportsCenter, Get Up!, First Take, Game around the Game Content
• ESPN Original Content
• ESPN Fan Database
# CASE STUDY: ESPN FANTASY

## Unique Users

<table>
<thead>
<tr>
<th></th>
<th>SEP 2020</th>
<th>SEP 2021</th>
<th>SEP 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique Users</td>
<td>8.9M</td>
<td>10.1M</td>
<td>11.2M</td>
</tr>
<tr>
<td>+10% YoY</td>
<td>-4% YoY</td>
<td>+8% YoY</td>
<td>+10% YoY</td>
</tr>
<tr>
<td>+25% vs. ‘20</td>
<td>+3% vs. ‘20</td>
<td>+26% vs. ‘20</td>
<td>+25% vs. ‘20</td>
</tr>
</tbody>
</table>

Source: comScore Mobile Metrix, Sep20-22, P13+
ESPN BET INTEGRATIONS: LAUNCH

ESPN BET Presence on all ESPN Digital Platforms

ESPN BET = Exclusive Odds Provider / Digital Integrations

New Betting Homepage and ESPN BET Daily Lines

In-app Messaging and Alerts

Promotion @ESPN BET Launch and Ongoing
Deeper ESPN Platform Integrations

Odds “Six Pack” will allow for quick access to top betting markets

Sports Fan-Centric Approach that only ESPN Provides

Personalized Bet Modules and Content based on Bets Placed

Customized Notifications and Bet Tracking on ESPN Platform
Structured to execute on built-in advantages to achieve podium position in highly compelling online sports betting business

**Brand Affinity**
- ESPN is the #1 sports brand in the U.S., supported by decades of brand affinity

**Customer Reach / Fantasy Database**
- Unparalleled reach, including the largest U.S. fantasy database and casino database of 27 million

**Tech / Product**
- Best-in-class tech stack, custom-built for the North American market

**Media Integrations**
- Integrated media provides opportunities for highly efficient customer acquisition and organic calls to action

Source: Internal information.
TECHNOLOGY / PRODUCT SHOWCASE

Best-in-Class Product & Features

1. Same-Game Parlays
2. Player Props
3. Micro-Betting
4. Shareable Bet Slips
5. Search Functionality

Expansive Betting Offerings
Media & Betting Integration
Clean UX & Fully Native

Cutting Edge Proprietary Tech

1. Bespoke Promotions
2. Traveling Wallet
3. Cashout Feature
4. Quick Deposits & Withdrawals
5. Sophisticated KYC / AML

Player Account Management
Promotional Engine
Risk & Trading Engine
ESPN BET: PROVEN MODEL FOR SUCCESS

Case Study #1

Brand and media integrations with Sky Sports have helped Sky Bet achieve 20% market share in the UK.

Case Study #2

Bet Mode

theScore Bet has achieved double digit market share in the ultra-competitive Ontario market based on deep ties to media app.
BENEFITS OF INTEGRATED MEDIA APPROACH EVIDENT IN ONTARIO

Our ability to maintain double digit market share in Ontario despite an influx of new competition illustrates the advantages of our fully owned tech stack and media ecosystem.

Ontario Performance v. U.S. Performance Pre-Migration(1)

- +108% 6-Month Retention
- +32% Cross-Sell into iCasino

Media Ecosystem(2)

- 72% Of Betting Users are Ecosystem Users
- 73% Of Total Handle from Ecosystem Users

(1) Data as of June 30, 2023. Measures theScore Bet Ontario performance relative to the U.S. prior to migration in the U.S. onto our proprietary tech stack.
(2) Represents the percentage of betting users and total handle on theScore Bet Ontario coming from theScore Ontario ecosystem users during 3Q 2023.
GAAP TO NON-GAAP RECONCILIATION – ADJUSTED EBITDAR

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>For the year ended December 31, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>221.7</td>
</tr>
<tr>
<td>Income tax benefit</td>
<td>(46.4)</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>10.4</td>
</tr>
<tr>
<td>Income from unconsolidated affiliates</td>
<td>(23.7)</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>758.2</td>
</tr>
<tr>
<td>Interest income</td>
<td>(18.3)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>72.1</td>
</tr>
<tr>
<td>Operating income</td>
<td>$ 974.0</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>58.1</td>
</tr>
<tr>
<td>Cash-settled stock-based awards variance</td>
<td>(15.5)</td>
</tr>
<tr>
<td>Loss on disposal of assets</td>
<td>7.9</td>
</tr>
<tr>
<td>Contingent purchase price</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Pre-opening expenses</td>
<td>4.1</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>567.5</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>118.2</td>
</tr>
<tr>
<td>Insurance recoveries, net of deductible charges</td>
<td>(10.7)</td>
</tr>
<tr>
<td>Income from unconsolidated affiliates</td>
<td>23.7</td>
</tr>
<tr>
<td>Non-operating items of equity method investments</td>
<td>(7.9)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>55.2</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ 1,789.8</td>
</tr>
<tr>
<td>Rent expense associated with triple net operating leases</td>
<td>149.6</td>
</tr>
<tr>
<td>Adjusted EBITDAR</td>
<td>$ 1,939.4</td>
</tr>
</tbody>
</table>

(1) 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.

(2) Amount primarily relates to $116.4 million of impairment charges in the Northeast segment.

(3) Consists principally of interest expense, net, income taxes, depreciation and amortization, and stock-based compensation expense associated with Barstool and our Kansas Entertainment, LLC joint venture. We record our portion of Barstool Sports’ net income or loss, including adjustments to arrive at Adjusted EBITDAR, one quarter in arrears.

(4) Consists of non-recurring acquisition and transaction costs, and finance transformation costs associated with the implementation of our new Enterprise Resource Management system.
## GAAP TO NON-GAAP RECONCILIATION – TRADITIONAL NET LEVERAGE RATIO

<table>
<thead>
<tr>
<th>(in millions, unaudited)</th>
<th>June 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Traditional Net Debt</strong></td>
<td></td>
</tr>
<tr>
<td>Amended Revolving Credit Facility due 2027</td>
<td>$ -</td>
</tr>
<tr>
<td>Amended Term Loan A Facility due 2027</td>
<td>$ 522.5</td>
</tr>
<tr>
<td>Amended Term Loan B Facility due 2029</td>
<td>$ 990.0</td>
</tr>
<tr>
<td>5.625% Notes due 2027</td>
<td>$ 400.0</td>
</tr>
<tr>
<td>4.125% Notes due 2029</td>
<td>$ 400.0</td>
</tr>
<tr>
<td>2.75% Convertible Notes due 2026</td>
<td>$ 330.5</td>
</tr>
<tr>
<td>Other long-term obligations</td>
<td>$ 37.3</td>
</tr>
<tr>
<td>Total traditional debt</td>
<td>$ 2,680.3</td>
</tr>
<tr>
<td>Less: Cash and cash equivalents</td>
<td>$ (1,271.6)</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>$ 1,408.7</td>
</tr>
<tr>
<td>Adjusted EBITDAR for the trailing twelve months ended June 30, 2023</td>
<td>$ 1,895.2</td>
</tr>
<tr>
<td>Less: Cash rent payments to REIT landlords for the trailing twelve months ended June 30, 2023</td>
<td>$(931.3)</td>
</tr>
<tr>
<td>Adjusted EBITDAR for the trailing twelve months ended June 30, 2023 less cash rent payments to REIT landlords</td>
<td>$ 963.9</td>
</tr>
<tr>
<td><strong>Traditional Net Leverage Ratio</strong></td>
<td>1.5x</td>
</tr>
</tbody>
</table>
GAAP TO NON-GAAP RECONCILIATION — LEASE ADJUSTED NET LEVERAGE RATIO

<table>
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<tr>
<td>Total traditional debt</td>
<td>$ 2,680.3</td>
</tr>
</tbody>
</table>

Less: Cash and cash equivalents | $ (1,271.6) |

Plus: Cash rent payments to REIT landlords for the trailing twelve months ended June 30, 2023 (1) | $ 7,450.4 |

Total | $ 8,859.1 |

Adjusted EBITDAR for the trailing twelve months ended June 30, 2023 | $ 1,895.2 |

Lease-Adjusted Net Leverage Ratio | 4.7x |

(1) Amount equals 8 times the total cash rent payments to REIT landlords for the trailing twelve months ended June 30, 2023.