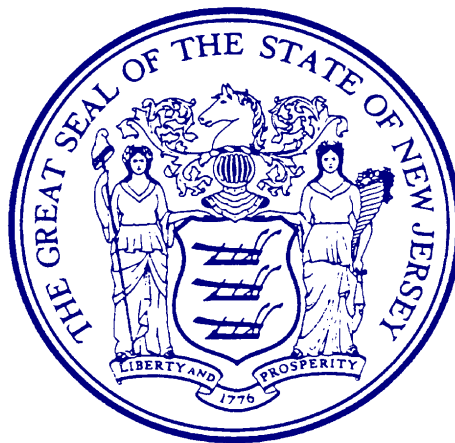


**TROPICANA CASINO AND RESORT
QUARTERLY REPORT**

FOR THE QUARTER ENDED JUNE 30, 2026

**SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY**



**OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL**

TROPICANA CASINO AND RESORT

BALANCE SHEETS

AS OF JUNE 30, 2026 AND 2025

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2026 (c)	2025 (d)
	<u>ASSETS:</u>			
	Current Assets:			
1	Cash and Cash Equivalents.....		\$20,670	\$18,261
2	Short-Term Investments.....		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2026, \$2,311; 2025, \$2,614.....	10	7,696	8,704
4	Inventories		712	743
5	Other Current Assets.....	3	2,906	2,754
6	Total Current Assets.....		31,984	30,462
7	Investments, Advances, and Receivables.....	4	291,257	329,278
8	Property and Equipment - Gross.....	5	594,568	572,852
9	Less: Accumulated Depreciation and Amortization.....	5	(167,180)	(156,191)
10	Property and Equipment - Net.....	5	427,388	416,661
11	Other Assets.....	6	13,729	64,167
12	Total Assets.....		\$764,358	\$840,568
	<u>LIABILITIES AND EQUITY:</u>			
	Current Liabilities:			
13	Accounts Payable.....		\$7,027	\$4,200
14	Notes Payable.....		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates.....		0	0
16	External.....	8	550	521
17	Income Taxes Payable and Accrued.....		0	0
18	Other Accrued Expenses.....	7	12,218	13,427
19	Other Current Liabilities.....	7	6,145	6,654
20	Total Current Liabilities.....		25,940	24,802
	Long-Term Debt:			
21	Due to Affiliates.....		0	0
22	External.....	8	530	1,075
23	Deferred Credits		0	0
24	Other Liabilities.....	8	462,232	457,351
25	Commitments and Contingencies.....		0	0
26	Total Liabilities.....		488,702	483,228
27	Stockholders', Partners', or Proprietor's Equity.....		275,656	357,340
28	Total Liabilities and Equity.....		\$764,358	\$840,568

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TROPICANA CASINO AND RESORT

STATEMENTS OF INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2026 (c)	2025 (d)
	Revenue:			
1	Casino.....	10	\$60,952	\$62,522
2	Rooms.....	10	34,405	36,676
3	Food and Beverage.....	10	14,296	15,418
4	Other.....	10	14,343	13,475
5	Net Revenue.....		123,996	128,091
	Costs and Expenses:			
6	Casino.....	10	23,430	22,844
7	Rooms, Food and Beverage.....	10	25,294	25,875
8	General, Administrative and Other.....	11	53,920	51,125
9	Total Costs and Expenses.....		102,644	99,844
10	Gross Operating Profit.....		21,352	28,247
11	Depreciation and Amortization.....	5	11,583	13,719
	Charges from Affiliates Other than Interest:			
12	Management Fees.....		0	0
13	Other.....	11	6,183	6,066
14	Income (Loss) from Operations.....		3,586	8,462
	Other Income (Expenses):			
15	Interest Expense - Affiliates.....		0	0
16	Interest Expense - External.....	8	(22,636)	(22,807)
17	CRDA Related Income (Expense) - Net.....	4	524	(787)
18	Nonoperating Income (Expense) - Net.....	4	1,882	(120)
19	Total Other Income (Expenses).....		(20,230)	(23,714)
20	Income (Loss) Before Taxes		(16,644)	(15,252)
21	Provision (Credit) for Income Taxes.....		0	0
22	Net Income (Loss).....		(\$16,644)	(\$15,252)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TROPICANA CASINO AND RESORT

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED JUNE 30, 2026 AND 2025

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2026 (c)	2025 (d)
	Revenue:			
1	Casino.....	10	\$31,511	\$31,030
2	Rooms.....	10	19,916	20,697
3	Food and Beverage.....	10	7,426	7,976
4	Other.....	10	7,730	7,248
5	Net Revenue.....		66,583	66,951
	Costs and Expenses:			
6	Casino.....	10	11,568	11,805
7	Rooms, Food and Beverage.....	10	13,568	13,984
8	General, Administrative and Other.....	11	27,884	26,301
9	Total Costs and Expenses.....		53,020	52,090
10	Gross Operating Profit.....		13,563	14,861
11	Depreciation and Amortization.....	5	5,918	8,809
	Charges from Affiliates Other than Interest:			
12	Management Fees.....		0	0
13	Other.....	11	3,108	3,008
14	Income (Loss) from Operations.....		4,537	3,044
	Other Income (Expenses):			
15	Interest Expense - Affiliates.....		0	0
16	Interest Expense - External.....	8	(11,332)	(11,634)
17	CRDA Related Income (Expense) - Net.....	4	(609)	(674)
18	Nonoperating Income (Expense) - Net.....	4	(248)	(140)
19	Total Other Income (Expenses).....		(12,189)	(12,448)
20	Income (Loss) Before Taxes		(7,652)	(9,404)
21	Provision (Credit) for Income Taxes.....		0	0
22	Net Income (Loss).....		(\$7,652)	(\$9,404)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TROPICANA CASINO AND RESORT
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025 AND THE SIX MONTHS ENDED JUNE 30, 2026
(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	Common Stock		Preferred Stock		Additional Paid-In Capital (g)	Accumulated or Comprehe Income (h)	Retained Earnings (Accumulated Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
			Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 2024.....						\$457,379	\$4,754	(\$89,541)	\$372,592
2	Net Income (Loss) - 2025.....								(80,625)	(80,625)
3	Contribution to Paid-in-Capital.....									0
4	Dividends.....									0
5	Prior Period Adjustments.....									0
6	Other Comprehensive Income Net							263		263
7	Additional Paid In Capital Interco						70			70
8										0
9										0
10	Balance, December 31, 2025.....		0	0	0	0	457,449	5,017	(170,166)	292,300
11	Net Income (Loss) - 2026.....								(16,644)	(16,644)
12	Contribution to Paid-in-Capital.....									0
13	Dividends.....									0
14	Prior Period Adjustments.....									0
15	Other Comprehensive Income Net									0
16	Additional Paid In Capital Interco									0
17										0
18										0
19	Balance, June 30, 2026		0	\$0	0	\$0	\$457,449	\$5,017	(\$186,810)	\$275,656

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TROPICANA CASINO AND RESORT
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2026 (c)	2025 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		(\$3,410)	\$2,724
	CASH FLOWS FROM INVESTING ACTIVITIES:			
2	Purchase of Short-Term Investments		0	0
3	Proceeds from the Sale of Short-Term Investments		0	0
4	Cash Outflows for Property and Equipment.....		(18,237)	(7,503)
5	Proceeds from Disposition of Property and Equipment.....		23	0
6	CRDA Obligations		0	0
7	Other Investments, Loans and Advances made.....	4	20,517	(750)
8	Proceeds from Other Investments, Loans, and Advances		0	0
9	Cash Outflows to Acquire Business Entities.....		0	0
10	Proceeds from Sales and Luxury Tax Credits		0	1,153
11			0	0
12	Net Cash Provided (Used) By Investing Activities.....		2,303	(7,100)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt		0	0
14	Payments to Settle Short-Term Debt.....		0	0
15	Proceeds from Long-Term Debt		0	0
16	Costs of Issuing Debt.....		0	0
17	Payments to Settle Long-Term Debt.....		0	0
18	Cash Proceeds from Issuing Stock or Capital Contributions...		0	0
19	Purchases of Treasury Stock.....		0	0
20	Payments of Dividends or Capital Withdrawals.....		0	0
21	Financing Obligation		(262)	0
22				
23	Net Cash Provided (Used) By Financing Activities.....		(262)	0
24	Net Increase (Decrease) in Cash and Cash Equivalents.....		(1,369)	(4,376)
25	Cash and Cash Equivalents at Beginning of Period.....		22,039	22,637
26	Cash and Cash Equivalents at End of Period.....		\$20,670	\$18,261
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).....		\$20,511	\$0
28	Income Taxes.....		\$0	\$0

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TROPICANA CASINO AND RESORT
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2026 (c)	2025 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss).....		(\$16,644)	(\$15,252)
30	Depreciation and Amortization of Property and Equipment...	5	11,583	13,719
31	Amortization of Other Assets.....		0	0
32	Amortization of Debt Discount or Premium.....		0	4
33	Deferred Income Taxes - Current		0	0
34	Deferred Income Taxes - Noncurrent		0	0
35	(Gain) Loss on Disposition of Property and Equipment.....		(31)	0
36	(Gain) Loss on CRDA-Related Obligations.....		0	0
37	(Gain) Loss from Other Investment Activities.....		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks		558	1,215
39	(Increase) Decrease in Inventories		21	18
40	(Increase) Decrease in Other Current Assets.....		(1,136)	(920)
41	(Increase) Decrease in Other Assets.....		1,148	655
42	Increase (Decrease) in Accounts Payable.....		1,259	112
43	Increase (Decrease) in Other Current Liabilities		(2,523)	(323)
44	Increase (Decrease) in Other Liabilities		2,355	3,496
45			0	0
46			0	0
47	Net Cash Provided (Used) By Operating Activities.....		(\$3,410)	\$2,724

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment.....		(\$18,237)	(\$9,148)
49	Less: Capital Lease Obligations Incurred.....		0	1,645
50	Cash Outflows for Property and Equipment.....		(\$18,237)	(\$7,503)
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired.....			\$0
52	Goodwill Acquired.....		0	0
53	Other Assets Acquired - net		0	0
54	Long-Term Debt Assumed.....		0	0
55	Issuance of Stock or Capital Invested.....		0	0
56	Cash Outflows to Acquire Business Entities.....		\$0	\$0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:			
57	Total Issuances of Stock or Capital Contributions.....		\$0	\$0
58	Less: Issuances to Settle Long-Term Debt.....		0	0
59	Consideration in Acquisition of Business Entities.....		0	0
60	Cash Proceeds from Issuing Stock or Capital Contributions.....		\$0	\$0

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TROPICANA CASINO AND RESORT

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

FOR THE SIX MONTHS ENDED JUNE 30, 2026

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	111,580	\$14,272	0	\$0
2	Food	55,338	1,407	116,096	\$973
3	Beverage	505,695	5,526	17,187	176
4	Travel	0	0	524	157
5	Bus Program Cash	0	0	0	0
6	Promotional Gaming Credits	379,027	15,286	0	0
7	Complimentary Cash Gifts	38,332	1,615	0	0
8	Entertainment	4,883	345	0	0
9	Retail & Non-Cash Gifts	0	0	21,640	83
10	Parking	139,054	2,544	0	0
11	Other	0	(106)	800	8
12	Total	1,233,909	\$40,889	156,247	\$1,397

Negative amounts represent TAC's net Caesars Rewards redemption credits.

TAC historically has had higher redemptions than earnings, resulting in a net credit to the P&L.

FOR THE THREE MONTHS ENDED JUNE 30, 2026

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	62,394	\$8,150		
2	Food	26,395	656	73,272	\$644
3	Beverage	266,577	2,928	10,208	106
4	Travel			257	77
5	Bus Program Cash	0			
6	Promotional Gaming Credits	220,150	8,634		
7	Complimentary Cash Gifts	17,126	754		
8	Entertainment	3,332	238	0	0
9	Retail & Non-Cash Gifts			11,240	52
10	Parking	74,642	1,390	0	0
11	Other	0	(44)	600	6
12	Total	670,616	\$22,706	95,577	\$885

Negative amounts represent TAC's net Caesars Rewards redemption credits.

TAC historically has had higher redemptions than earnings, resulting in a net credit to the P&L.

TROPICANA CASINO AND RESORT STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

FOR THE QUARTER ENDED JUNE 30, 2026

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Division's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.S.A. 5:12-84a(1)-(5) during the quarter.

8/17/2026

Date



Karen Worman

Regional VP of Finance

Title

6320-11

License Number

On Behalf of:

TROPICANA CASINO AND RESORT
Casino Licensee

TROPICANA ATLANTIC CITY CORP.
DBA TROPICANA CASINO AND RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

In these notes, the words “Tropicana Atlantic City,” “casino licensee,” “Company,” “we,” “our,” and “us” refer to Tropicana Atlantic City Corp., unless otherwise stated or the context requires otherwise. In addition, “Caesars Entertainment,” “CEI,” refer to Caesars Entertainment, Inc., and its consolidated subsidiaries.

Note 1 — Organization and Basis of Presentation

Organization and Description of Business

The Company operates Tropicana Atlantic City, a casino hotel in Atlantic City, New Jersey, and is a wholly owned subsidiary of Tropicana Entertainment, Inc. (“TEI”), which is a wholly owned subsidiary of CEI. The Company is licensed by the New Jersey Casino Control Commission (“CCC”) and is subject to its rules and regulations, as well as the rules and regulations of the New Jersey Division of Gaming Enforcement (“DGE”). The license has no expiration date.

Tropicana Atlantic City leases certain real property assets from GLP Capital, L.P., the operating partnership of Gaming and Leisure Properties, Inc. (“GLPI”).

Retail Sports Wagering Lounge

Tropicana Atlantic City holds a sports wagering license issued by the DGE. The Company’s retail sports wagering lounge is operated by William Hill New Jersey, Inc. (“William Hill NJ”), an affiliate of the Company and a subsidiary of CEI. Retail sports wagering lounge operations are not included in the Company’s financial statements.

Internet Gaming and Online Sports Wagering

The internet gaming permit associated with the Company is held by Caesars Interactive Entertainment New Jersey, LLC, (“CIENJ”), a wholly owned subsidiary of William Hill US Holdco, Inc. (“William Hill”), which is a wholly owned subsidiary of CEI, the holder of a casino license and internet affiliate of the Company. Internet gaming and online sports wagering operations are conducted through CIENJ and are not included in the Company’s financial statements.

The following table summarizes the internet gaming and online sports wagering skins operated under the CIENJ internet gaming permit associated with Tropicana Atlantic City as of June 30, 2026:

Skin	Affiliate/Owner/Operator	Revenue Recognition	Date of Commencement	
			Internet Gaming	Online Sports Wagering
TropicanaCasino.com	CIENJ	None	April 2023	N/A
WSOP.com	CIENJ	None	November 2013	N/A
Caesars Sportsbook and Casino ⁽¹⁾	William Hill NJ ⁽²⁾	None	August 2020	September 2018

⁽¹⁾ Includes operations of Horseshoe Online Casino which commenced operations in November 2024.

⁽²⁾ Operated by William Hill NJ as an affiliate of CIENJ.

Basis of Presentation and Use of Estimates

The financial statements include all revenues, costs, assets and liabilities directly attributable to us. The accompanying financial statements also include allocations of certain general corporate expenses of CEI. These allocations of general corporate expenses may not reflect the expense we would have incurred if we were a stand-alone company nor are they necessarily indicative of our future costs. Our transactions with CEI and its other subsidiaries and affiliated entities have been identified as transactions between related parties and are disclosed in Note 11.

TROPICANA ATLANTIC CITY CORP.
DBA TROPICANA CASINO AND RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), which requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Significant estimates incorporated into the Company’s financial statements include useful lives for depreciable and amortizable assets, cash flows in assessing goodwill and indefinite-lived intangible assets for impairment and the recoverability of long-lived assets, self-insurance reserves, player loyalty program liabilities, contingencies and litigation, and claims and assessments. Management believes the accounting estimates are appropriate and reasonably determined. Actual amounts could materially differ from those estimates.

Subsequent Events

The Company completed its subsequent events review through August 17, 2026, the date on which the financial statements were available to be issued, and noted no additional items requiring disclosure.

Note 2 — Summary of Significant Accounting Policies

Additional significant accounting policy disclosures may be provided within the applicable notes to the financial statements.

Cash, Cash Equivalents, and Restricted Cash

Cash equivalents include investments in money market funds that can be redeemed immediately at the current net asset value per share. A money market fund is a mutual fund whose investments are primarily in short-term debt securities designed to maximize current income with liquidity and capital preservation, usually maintaining per share net asset value at a constant amount, such as one dollar. The carrying amounts approximate the fair value because of the short maturity of those instruments (Level 1 - observable inputs such as quoted prices in active markets). Cash and cash equivalents also include cash maintained for gaming operations.

Inventories

Inventories are stated at average cost and consist primarily of food, beverage, retail merchandise, and operating supplies.

Gaming Taxes

The Company remits a tax equal to 8.00% of gross gaming revenue, as defined, to the State of New Jersey on a weekly basis. The Company’s gaming tax expense was \$3.7 million and \$3.8 million for the three months ended June 30, 2026 and 2025, respectively, and \$7.0 million and \$7.4 million for the six months ended June 30, 2026 and 2025, respectively. Gaming taxes are included in Casino expense in the accompanying Statements of Income.

Advertising Expense

Advertising costs are expensed in the period the advertising initially takes place. Advertising costs were \$334 thousand and \$312 thousand for the three months ended June 30, 2026 and 2025, respectively, and \$602 thousand and \$454 thousand for the six months ended June 30, 2026 and 2025, respectively, and are generally included within General, Administrative and Other expenses on the accompanying Statements of Income.

TROPICANA ATLANTIC CITY CORP.
DBA TROPICANA CASINO AND RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

Income Taxes

The Company is a single member “disregarded entity” for federal income tax purposes. The Company does not file a separate tax return and is instead included in the consolidated federal and state income tax returns of CEI. The Company’s allocable income is subject to examination by federal and state taxing authorities. If an examination results in a change to the Company’s income, CEI’s tax may also change. The Company does not have a formal tax sharing agreement in place with CEI for federal income tax purposes.

Fair Value

The fair value of cash and cash equivalents, other current assets, payables, and other current liabilities approximates carrying value due to the short-term nature of these financial instruments.

Recently Issued Accounting Pronouncements

There were no new accounting pronouncements issued or implemented in 2026 that would be applicable to the Company’s financial statements.

Note 3 — Other Current Assets

Other current assets consisted of the following:

<u>(In thousands)</u>	As of June 30,	
	2026	2025
Prepaid taxes and licenses	\$ 1,068	\$ 1,131
Prepaid utilities	723	701
Prepaid marketing	581	507
Prepaid contracts	362	344
Other	172	71
Total other current assets	<u>\$ 2,906</u>	<u>\$ 2,754</u>

Note 4 — Casino Reinvestment Development Authority

The New Jersey Casino Control Act provides for, among other things, an assessment of licensees equal to 1.25% of their gross gaming revenues in lieu of an investment alternative tax (“IAT”) equal to 2.5% of gross gaming revenues.

Prior to May 2016, the Company previously satisfied this obligation by investing in qualified eligible direct investments, by making qualified contributions, or by depositing funds with the Casino Reinvestment Development Authority (“CRDA”). Funds deposited with the CRDA were used to purchase bonds designated by the CRDA or, under certain circumstances, provided to the CRDA in exchange for credits against future CRDA investment obligations. CRDA bonds have terms up to 50 years and bear interest at below-market rate. Effective May 27, 2016, the CRDA investment obligation of 1.25% of gross gaming revenues was redirected to the City of Atlantic City to be used for debt service. The CRDA investment obligation was reduced by previously contractually obligated Credit Agreements committed by the Authority. The Company records an allowance for funds deposited to reduce the deposits to their expected eventual realizable value.

TROPICANA ATLANTIC CITY CORP.
DBA TROPICANA CASINO AND RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

The following information presents the Company's CRDA assets, included in Investments, Advances, and Receivables, as follows:

<i>(In thousands)</i>	As of June 30,	
	2026	2025
CRDA bonds	\$ 10,983	\$ 10,983
Valuation allowance	(8,484)	(8,377)
Discount issued	(1,265)	(1,367)
Total CRDA assets, net	<u>\$ 1,234</u>	<u>\$ 1,239</u>

The Company did not record an allowance during the three and six months ended June 30, 2026 relating to our CRDA assets. Charges of \$4 thousand and \$5 thousand were recorded for the three and six months ended June 30, 2025, respectively, to the accompanying Statements of Income to reflect the estimated net realizable value of our CRDA assets.

City of Atlantic City Real Property Tax and Interim Payment in Lieu of Taxes ("PILOT Act") Financial Management

Beginning for calendar year 2017, each casino licensee entered into a 10-year financial agreement with the City of Atlantic City requiring the Company to make quarterly payments in lieu of real estate taxes. The Company is responsible for the payments based on its share as referenced in the agreement and communicated by the City of Atlantic City, and will be subject to lien provisions if the payments are not made. The Company paid its respective quarterly obligations of \$2.7 million for both the three months ended June 30, 2026 and 2025 and \$4.5 million for both the six months ended June 30, 2026 and 2025, which are recorded within General, Administrative and Other on the Statements of Income.

Additionally, the PILOT Act requires Atlantic City casinos to pay to a Separate State Fund for Atlantic City fiscal relief. The Company recorded charges of \$94 thousand and \$102 thousand for the three months ended June 30, 2026 and 2025, respectively, and \$188 thousand and \$203 thousand for the six months ended June 30, 2026 and 2025, respectively, which are included within General, Administrative and Other on the Statements of Income.

The PILOT Act also provides for distributions of the IAT to Atlantic City, CRDA, a Clean and Safe Fund, and an Infrastructure Fund. If there are any "residual IATs" after the preceding beneficiaries are paid in full, those residual IATs are then allocated to Atlantic City casinos on a pro rata basis determined by gross gaming revenues of the prior year. During the six months ended June 30, 2026 and 2025, the Company recorded credits of \$616 thousand and \$522 thousand, respectively, which are recorded within CRDA Related Income/(Expense), net on the accompanying Statements of Income.

East Hall Bonds

Bonds for East Hall renovations of the Atlantic City Boardwalk Convention Center were issued incrementally between the years 1999 and 2011. They had entered a deferred payment status for both principal and interest beginning in 2017. The Company fully reserved the bonds due to non-payment. For the three months ended June 30, 2026, the Company received payments from the CRDA of \$75 thousand and \$91 thousand for principal and interest, respectively, and for the six months ended June 30, 2026, \$1.2 million and \$2.1 million for principal and interest, respectively. The interest is included within Nonoperating income, net on the accompanying Statements of Income. Although the CRDA has stated timely principal and interest payment will begin once again, the Company maintains the full allowance for the outstanding portion of the East Hall bonds.

TROPICANA ATLANTIC CITY CORP.
DBA TROPICANA CASINO AND RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

Note 5 — Property and Equipment, net

<i>(In thousands)</i>	As of June 30,	
	2026	2025
Land	\$ 129,000	\$ 129,000
Buildings and leasehold and land improvements	359,001	343,498
Furniture, fixtures, and equipment	103,077	95,679
Construction in progress	3,490	4,675
Total property and equipment	594,568	572,852
Less: accumulated depreciation	(167,180)	(156,191)
Total property and equipment, net	<u>\$ 427,388</u>	<u>\$ 416,661</u>

Depreciation Expense

<i>(In thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Depreciation expense	\$ 5,918	\$ 8,809	\$ 11,583	\$ 13,719

A portion of our property and equipment is subject to various operating leases for which we are the lessor. Leased property includes our hotel rooms, convention space and retail space through various short-term and long-term operating leases.

Note 6 — Other Assets

Other assets consisted of the following:

<i>(In thousands)</i>	As of June 30,	
	2026	2025
Long-term deposits	\$ 10,552	\$ 9,407
Intangible assets	1,068	23,068
Goodwill	—	29,434
Other	2,109	2,258
Total other assets	<u>\$ 13,729</u>	<u>\$ 64,167</u>

Changes in Net Carrying Value of Goodwill and Non-Amortizing Intangible Assets

<i>(In thousands)</i>	Goodwill	Other
Balance as of January 1, 2025	\$ 29,434	\$ 23,068
Impairment	—	—
Balance as of June 30, 2025	<u>\$ 29,434</u>	<u>\$ 23,068</u>
Balance as of January 1, 2026	\$ —	\$ 1,068
Impairment	—	—
Balance as of June 30, 2026	<u>\$ —</u>	<u>\$ 1,068</u>

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Gross Carrying Value of Non-Amortizing Intangible Assets

<u>(In thousands)</u>	<u>As of June 30,</u>	
	<u>2026</u>	<u>2025</u>
Non-amortizing intangible assets		
Trademarks	\$ —	\$ 22,000
Gaming rights	1,068	1,068
Total non-amortizing intangible assets, net	<u>\$ 1,068</u>	<u>\$ 23,068</u>

Note 7 — Other Accrued Expenses and Other Current Liabilities

Other accrued expenses consisted of the following:

<u>(In thousands)</u>	<u>As of June 30,</u>	
	<u>2026</u>	<u>2025</u>
Accrued payroll, taxes and benefits	\$ 4,096	\$ 4,913
Accrued interest	3,414	3,370
Accrued taxes	1,608	2,079
Accrued retainage	311	44
Accrued utilities	1,305	1,260
Accrued gaming expenses	688	697
Other	796	1,064
Total other accrued expenses	<u>\$ 12,218</u>	<u>\$ 13,427</u>

Other current liabilities consisted of the following:

<u>(In thousands)</u>	<u>As of June 30,</u>	
	<u>2026</u>	<u>2025</u>
Contract and contract related liabilities (see Note 10)	\$ 4,558	\$ 5,255
Accrued CRDA	674	670
Operating lease liability	31	—
Other	882	729
Total other current liabilities	<u>\$ 6,145</u>	<u>\$ 6,654</u>

Note 8 — Other Long-Term Liabilities

<u>(In thousands)</u>	<u>As of June 30,</u>	
	<u>2026</u>	<u>2025</u>
Long-term financing obligation	\$ 462,041	\$ 457,303
Other	191	48
Total other current liabilities	<u>\$ 462,232</u>	<u>\$ 457,351</u>

Finance Lease

In 2025, the Company entered into a three-year agreement to lease certain equipment. As of June 30, 2026, the current and long-term portions of the finance lease were \$550 thousand and \$530 thousand, respectively, which are included within Current Portion of Long-Term Debt and Long-Term Debt on the Balance Sheets.

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Note 9 — Litigation, Contractual Commitments, and Contingent Liabilities

Litigation

The Company is party to ordinary and routine litigation incidental to their business. We do not expect the outcome of any such litigation to have a material effect on our financial position, results of operations, or cash flows, as we do not believe it is reasonably possible that we will incur material losses as a result of such litigation.

Note 10 — Revenue Recognition

Accounting Policies

Casino Revenues

Casino revenues are generated from gaming wagers. Casino revenue represents the Company's net win from these gaming activities, which is the difference between gaming wins and losses, not the total amount wagered. Progressive jackpots are accrued and charged to revenue at the time the obligation to pay the jackpot is established. Gaming revenues are recognized net of free bets, free play, and other similar incentives provided to customers.

Non-gaming Revenues

Hotel, food and beverage, and other operating revenues are recognized as services are performed and is the net amount collected from the customer for such goods and services. Hotel, food and beverage services have been determined to be separate, stand-alone performance obligations and are recorded as revenue as the good or service is transferred to the customer over the customer's stay at the hotel or when the delivery is made for the food and beverage. Advance deposits for future hotel occupancy, convention space or food and beverage services contracts are recorded as deferred income until revenue recognition criteria has been met. The Company also provides goods and services that may include multiple performance obligations, such as for packages, for which revenues are allocated on a pro rata basis based on each service's standalone selling price ("SSP").

Sales and other taxes collected from customers on behalf of governmental authorities are accounted for on a net basis and are not included in net revenues or operating expenses.

Accounts Receivable, Net

<u>(In thousands)</u>	<u>As of June 30,</u>	
	<u>2026</u>	<u>2025</u>
Casino	\$ 1,417	\$ 1,925
Food and beverage and hotel	3,115	3,582
Other	3,164	3,197
Accounts receivable, net	<u>\$ 7,696</u>	<u>\$ 8,704</u>

Contract and Contract Related Liabilities

The Company records contract or contract related liabilities related to differences between the timing of cash receipts from the customer and the recognition of revenue. The Company generally has three types of liabilities related to contracts with customers: (1) outstanding chip liability, which represents the amounts owed in exchange for gaming chips held by customers, (2) Caesars Rewards player loyalty program obligations, which represent the deferred allocation of revenue relating to reward credits granted to Caesars Rewards members based on certain types of customer spend, including online and retail gaming, hotel, dining, retail shopping, and player loyalty program incentives earned, and (3) customer deposits and other deferred revenue, which primarily represents funds deposited by customers related to gaming play or advance payments received for goods and services yet to be provided (such as advance ticket sales, deposits on rooms and convention space, and unpaid wagers). These liabilities are

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generally expected to be recognized as revenue within one year of being purchased, earned, or deposited and are recorded within Other current liabilities on the Company's Balance Sheets. Liabilities expected to be recognized as revenue beyond one year of being purchased, earned, or deposited are recorded within Other liabilities on the Company's Balance Sheets.

The following table summarizes the activity related to contract and contract related liabilities:

<i>(In thousands)</i>	Outstanding Chip Liability	Customer Deposits and Other Deferred Revenue
Balance as of January 1, 2025	\$ 2,168	\$ 2,339
Balance as of June 30, 2025	1,983	3,759
Increase (decrease)	\$ (185)	\$ 1,420
Balance as of January 1, 2026	\$ 2,137	\$ 2,601
Balance as of June 30, 2026	1,991	3,265
Increase (decrease)	\$ (146)	\$ 664

Lease Revenue

Lodging Arrangements

Lodging arrangements are considered short-term and generally consist of lease and nonlease components. The lease component is the predominant component of the arrangement and consists of the fees charged for lodging. The nonlease components primarily consist of resort fees and other miscellaneous items. As the timing and pattern of transfer of both the lease and nonlease components are over the course of the lease term, we have elected to combine the revenue generated from lease and nonlease components into a single lease component based on the predominant component in the arrangement. During the three months ended June 30, 2026 and 2025, we recognized lease revenue of approximately \$19.9 million and \$20.7 million, respectively, and \$34.4 million and \$36.7 million for the six months ended June 30, 2026 and 2025, respectively, which is included in Rooms revenues in the Statements of Income.

Real Estate Operating Leases

Real estate lease revenue is included in Other revenue in the Statements of Income. During the three months ended June 30, 2026 and 2025, we recognized approximately \$2.0 million and \$2.2 million, respectively, of real estate lease revenue and \$3.7 million and \$4.0 million for the six months ended June 30, 2026 and 2025, respectively.

Real estate lease revenue includes \$0.9 million and \$1.0 million of variable rental income for the three months ended June 30, 2026 and 2025, respectively and \$1.6 million and \$1.7 million of variable rental income for the six months ended June 30, 2026 and 2025, respectively.

Note 11 — Related Party Transactions

The Company participates with CEI and other CEI subsidiaries in marketing, purchasing, insurance, employee benefit and other programs that are defined and negotiated by CEI on a company-wide basis. The Company believes that participating in these consolidated programs is beneficial in comparison to the cost and terms for similar programs that it could negotiate on a standalone basis.

The Company reimburses CEI monthly for various costs incurred by CEI on its behalf, including accounts payable, payroll, and other services as described below. Certain of the more significant intercompany relationships among the Company and other affiliates are discussed in this note.

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Cash Activity with CEI and Affiliates

The Company may transfer cash in excess of their operating and regulatory needs to CEI on a daily basis. Cash transfers from the Company's parent may also occur based upon the needs of the Company to fund daily operations, including accounts payable, payroll, and capital expenditures. No interest is charged on transfers made to or from the Company.

Administrative and Other Services

Pursuant to a shared services agreement, CES provides the Company with certain corporate, administrative and other services and the costs of these services are allocated to the Company. Total costs allocated under the agreement were \$3.1 million and \$3.0 million for three months ended June 30, 2026 and 2025, respectively and \$6.2 million and \$6.1 million for the six months ended June 30, 2026 and 2025, respectively, and are included in Charges from affiliates in the accompanying Statements of Income.

Caesars Rewards Loyalty Program

The Caesars Rewards Loyalty Program grants Reward Credits to Caesars Rewards Members based on various types of customer spend, including online and retail gaming, sports betting, hotel, dining, and retail shopping at Caesars-affiliated properties. Members may redeem Reward Credits for complimentary or discounted goods and services such as rooms, food and beverages, merchandise, free play, entertainment, and travel accommodations. Members are able to accumulate Reward Credits over time that they may redeem at their discretion under the terms of the program. The estimated total cost of Reward Credits available to be redeemed is accrued by CES, with the incremental charges related to the Company included in Additional paid-in capital or Due from affiliates in the accompanying Balance Sheets.