
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED July 31, 2022

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File No. 001-35664

Dave & Buster's Entertainment, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

1221 Beltline Rd., Coppell, Texas, 75019
(Address of principal executive offices) (Zip Code)

35-2382255
(I.R.S. Employer ID)

(214) 357-9588
(Registrant's telephone number)

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|-------------------------------|-------------------|--|
| Common Stock \$0.01 par value | PLAY | NASDAQ Global Select Market |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by checkmark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |
| Emerging Growth Company | <input type="checkbox"/> | | |

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.

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of September 1, 2022, the registrant had 48,235,675 shares of common stock, \$0.01 par value per share, outstanding.

[Table of Contents](#)

DAVE & BUSTER'S ENTERTAINMENT, INC.
FORM 10-Q FOR QUARTERLY PERIOD ENDED JULY 31, 2022
TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| PART I FINANCIAL INFORMATION | |
| Item 1. Financial Statements | 3 |
| Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations | 19 |
| Item 3. Quantitative and Qualitative Disclosures About Market Risk | 32 |
| Item 4. Controls and Procedures | 32 |
| PART II OTHER INFORMATION | |
| Item 1. Legal Proceedings | 33 |
| Item 1A. Risk Factors | 33 |
| Item 2. Unregistered Sales of Equity Securities and Use of Proceeds | 35 |
| Item 6. Exhibits | 36 |
| Signatures | 37 |

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

DAVE & BUSTER’S ENTERTAINMENT, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

| | July 31, 2022 (unaudited) | January 30, 2022 (audited) |
|---|---------------------------------|----------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 100,386 | \$ 25,910 |
| Inventories | 46,977 | 40,319 |
| Prepaid expenses | 17,847 | 11,316 |
| Income taxes receivable | 34,682 | 64,921 |
| Other current assets | 14,614 | 3,105 |
| Total current assets | <u>214,506</u> | <u>145,571</u> |
| Property and equipment (net of \$972,301 and \$908,536 accumulated depreciation as of July 31, 2022 and January 30, 2022, respectively) | 1,149,632 | 778,597 |
| Operating lease right of use assets | 1,330,468 | 1,037,197 |
| Deferred tax assets | 8,210 | 9,961 |
| Tradenames | 190,100 | 79,000 |
| Goodwill | 728,664 | 272,597 |
| Other assets and deferred charges | 29,160 | 22,867 |
| Total assets | <u>\$3,650,740</u> | <u>\$ 2,345,790</u> |
| LIABILITIES AND STOCKHOLDERS’ EQUITY | | |
| Current liabilities: | | |
| Current installments of long-term debt | \$ 8,500 | \$ — |
| Accounts payable | 67,444 | 62,493 |
| Accrued liabilities | 330,294 | 248,493 |
| Income taxes payable | 1,347 | 529 |
| Total current liabilities | <u>407,585</u> | <u>311,515</u> |
| Deferred income taxes | 13,308 | 12,012 |
| Operating lease liabilities | 1,599,417 | 1,277,539 |
| Other liabilities | 54,373 | 37,869 |
| Long-term debt, net | 1,219,678 | 431,395 |
| Commitments and contingencies | | |
| Stockholders’ equity: | | |
| Common stock, par value \$0.01; authorized: 400,000,000 shares; issued: 62,214,255 shares at July 31, 2022 and 61,563,613 shares at January 30, 2022; outstanding: 48,226,654 shares at July 31, 2022 and 48,489,935 shares at January 30, 2022 | 622 | 616 |
| Preferred stock, 50,000,000 authorized; none issued | — | — |
| Paid-in capital | 562,671 | 548,776 |
| Treasury stock, 13,987,601 and 13,073,678 shares as of July 31, 2022 and January 30, 2022, respectively | (637,209) | (605,435) |
| Accumulated other comprehensive loss | (908) | (3,628) |
| Retained earnings | 431,203 | 335,131 |
| Total stockholders’ equity | <u>356,379</u> | <u>275,460</u> |
| Total liabilities and stockholders’ equity | <u>\$3,650,740</u> | <u>\$2,345,790</u> |

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(in thousands, except share and per share amounts)

| | Thirteen Weeks Ended July 31, 2022 | Thirteen Weeks Ended August 1, 2021 |
|---|--|---|
| Food and beverage revenues | \$ 156,995 | \$ 123,006 |
| Amusement and other revenues | 311,364 | 254,632 |
| Total revenues | 468,359 | 377,638 |
| Cost of food and beverage | 46,461 | 33,127 |
| Cost of amusement and other | 29,075 | 24,584 |
| Total cost of products | 75,536 | 57,711 |
| Operating payroll and benefits | 113,674 | 80,623 |
| Other store operating expenses | 142,440 | 105,116 |
| General and administrative expenses | 37,710 | 18,470 |
| Depreciation and amortization expense | 38,614 | 34,875 |
| Pre-opening costs | 3,913 | 1,676 |
| Total operating costs | 411,887 | 298,471 |
| Operating income | 56,472 | 79,167 |
| Interest expense, net | 17,118 | 13,728 |
| Loss on debt refinancing | 1,479 | — |
| Income before provision for income taxes | 37,875 | 65,439 |
| Provision for income taxes | 8,787 | 12,669 |
| Net income | 29,088 | 52,770 |
| Unrealized foreign currency translation gain (loss) | 19 | (15) |
| Unrealized gain on derivatives, net of tax | 1,372 | 1,372 |
| Total other comprehensive income | 1,391 | 1,357 |
| Total comprehensive income | \$ 30,479 | \$ 54,127 |
| Net income per share: | | |
| Basic | \$ 0.60 | \$ 1.10 |
| Diluted | \$ 0.59 | \$ 1.07 |
| Weighted average shares used in per share calculations: | | |
| Basic | 48,831,639 | 48,178,611 |
| Diluted | 49,271,521 | 49,229,817 |

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(in thousands, except share and per share amounts)

| | Twenty-Six Weeks Ended July 31, 2022 | Twenty-Six Weeks Ended August 1, 2021 |
|---|--|---|
| Food and beverage revenues | \$ 308,907 | \$ 208,764 |
| Amusement and other revenues | 610,553 | 434,214 |
| Total revenues | 919,460 | 642,978 |
| Cost of food and beverage | 89,716 | 56,284 |
| Cost of amusement and other | 55,841 | 41,198 |
| Total cost of products | 145,557 | 97,482 |
| Operating payroll and benefits | 207,035 | 130,902 |
| Other store operating expenses | 266,865 | 189,561 |
| General and administrative expenses | 66,007 | 35,561 |
| Depreciation and amortization expense | 71,902 | 69,974 |
| Pre-opening costs | 6,910 | 3,335 |
| Total operating costs | 764,276 | 526,815 |
| Operating income | 155,184 | 116,163 |
| Interest expense, net | 28,509 | 28,548 |
| Loss on debt refinancing | 1,479 | — |
| Income before provision for income taxes | 125,196 | 87,615 |
| Provision for income taxes | 29,124 | 15,210 |
| Net income | 96,072 | 72,405 |
| Unrealized foreign currency translation gain (loss) | (23) | 46 |
| Unrealized gain on derivatives, net of tax | 2,743 | 2,743 |
| Total other comprehensive income | 2,720 | 2,789 |
| Total comprehensive income | \$ 98,792 | \$ 75,194 |
| Net income per share: | | |
| Basic | \$ 1.97 | \$ 1.51 |
| Diluted | \$ 1.95 | \$ 1.47 |
| Weighted average shares used in per share calculations: | | |
| Basic | 48,705,956 | 47,937,158 |
| Diluted | 49,357,051 | 49,272,693 |

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(in thousands, except share amounts)

| | Thirteen Weeks Ended July 31, 2022 | | | | | | | |
|--|-------------------------------------|--------------|--------------------|------------------------|--------------------|---|----------------------|------------------|
| | Common Stock | | Paid-In Capital | Treasury Stock At Cost | | Accumulated Other Comprehensive Loss | Retained Earnings | Total |
| | Shares | Amt. | | Shares | Amt. | | | |
| Balance May 1, 2022 | 61,817,849 | \$618 | \$557,977 | 13,099,392 | \$(606,669) | \$ (2,299) | \$402,115 | \$351,742 |
| Net income | — | — | — | — | — | — | 29,088 | 29,088 |
| Unrealized foreign currency translation gain | — | — | — | — | — | 19 | — | 19 |
| Unrealized gain on derivatives, net of tax | — | — | — | — | — | 1,372 | — | 1,372 |
| Share-based compensation | — | — | 4,698 | — | — | — | — | 4,698 |
| Issuance of common stock | 396,406 | 4 | (4) | — | — | — | — | — |
| Repurchase of common stock | — | — | — | 888,209 | (30,540) | — | — | (30,540) |
| Balance July 31, 2022 | <u>62,214,255</u> | <u>\$622</u> | <u>\$562,671</u> | <u>13,987,601</u> | <u>\$(637,209)</u> | <u>\$ (908)</u> | <u>\$431,203</u> | <u>\$356,379</u> |
| | Thirteen Weeks Ended August 1, 2021 | | | | | | | |
| | Common Stock | | Paid-In Capital | Treasury Stock At Cost | | Accumulated Other Comprehensive Loss | Retained Earnings | Total |
| | Shares | Amt. | | Shares | Amt. | | | |
| Balance May 2, 2021 | 60,691,906 | \$607 | \$535,768 | 12,847,298 | \$(596,206) | \$ (7,653) | \$246,126 | \$178,642 |
| Net income | — | — | — | — | — | — | 52,770 | 52,770 |
| Unrealized foreign currency translation loss | — | — | — | — | — | (15) | — | (15) |
| Unrealized gain on derivatives, net of tax | — | — | — | — | — | 1,372 | — | 1,372 |
| Share-based compensation | — | — | 3,187 | — | — | — | — | 3,187 |
| Issuance of common stock | 584,567 | 6 | 1,393 | — | — | — | — | 1,399 |
| Repurchase of common stock | — | — | — | 172,800 | (7,480) | — | — | (7,480) |
| Balance August 1, 2021 | <u>61,276,473</u> | <u>\$613</u> | <u>\$540,348</u> | <u>13,020,098</u> | <u>\$(603,686)</u> | <u>\$ (6,296)</u> | <u>\$298,896</u> | <u>\$229,875</u> |

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(in thousands, except share amounts)

| | Twenty-Six Weeks Ended July 31, 2022 | | | | | | | |
|---|---------------------------------------|--------------|--------------------|------------------------|--------------------|---|----------------------|------------------|
| | Common Stock | | Paid-In Capital | Treasury Stock At Cost | | Accumulated Other Comprehensive Loss | Retained Earnings | Total |
| | Shares | Amt. | | Shares | Amt. | | | |
| Balance January 30, 2022 | 61,563,613 | \$616 | \$548,776 | 13,073,678 | \$(605,435) | \$ (3,628) | \$335,131 | \$275,460 |
| Net income | — | — | — | — | — | — | 96,072 | 96,072 |
| Unrealized foreign currency translation loss | — | — | — | — | — | (23) | — | (23) |
| Unrealized gain on derivatives, net of tax | — | — | — | — | — | 2,743 | — | 2,743 |
| Share-based compensation | — | — | 8,253 | — | — | — | — | 8,253 |
| Issuance of common stock | 650,642 | 6 | 5,642 | — | — | — | — | 5,648 |
| Repurchase of common stock | — | — | — | 913,923 | (31,774) | — | — | (31,774) |
| Balance July 31, 2022 | <u>62,214,255</u> | <u>\$622</u> | <u>\$562,671</u> | <u>13,987,601</u> | <u>\$(637,209)</u> | <u>\$ (908)</u> | <u>\$431,203</u> | <u>\$356,379</u> |
| | Twenty-Six Weeks Ended August 1, 2021 | | | | | | | |
| | Common Stock | | Paid-In Capital | Treasury Stock At Cost | | Accumulated Other Comprehensive Loss | Retained Earnings | Total |
| | Shares | Amt. | | Shares | Amt. | | | |
| Balance January 31, 2021 | 60,488,833 | \$605 | \$531,191 | 12,842,227 | \$(595,970) | \$ (9,085) | \$226,491 | \$153,232 |
| Net income | — | — | — | — | — | — | 72,405 | 72,405 |
| Unrealized foreign currency translation gain | — | — | — | — | — | 46 | — | 46 |
| Unrealized gain on derivatives, net of tax | — | — | — | — | — | 2,743 | — | 2,743 |
| Share-based compensation | — | — | 6,158 | — | — | — | — | 6,158 |
| Issuance of common stock | 787,640 | 8 | 2,999 | — | — | — | — | 3,007 |
| Repurchase of common stock | — | — | — | 177,871 | (7,716) | — | — | (7,716) |
| Balance August 1, 2021 | <u>61,276,473</u> | <u>\$613</u> | <u>\$540,348</u> | <u>13,020,098</u> | <u>\$(603,686)</u> | <u>\$ (6,296)</u> | <u>\$298,896</u> | <u>\$229,875</u> |

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

| | Twenty-Six Weeks Ended July 31, 2022 | Twenty-Six Weeks Ended August 1, 2021 |
|---|--|---|
| Cash flows from operating activities: | | |
| Net income | \$ 96,072 | \$ 72,405 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization expense | 71,902 | 69,974 |
| Non-cash interest expense | 3,773 | 3,774 |
| Impairment of long-lived assets | 1,841 | — |
| Deferred taxes | 18,892 | (4,723) |
| Loss on disposal of fixed assets | 370 | 257 |
| Loss on debt refinancing | 1,479 | — |
| Share-based compensation | 8,253 | 6,158 |
| Other, net | 2,960 | 2,127 |
| Changes in assets and liabilities, net of acquired assets and liabilities: | | |
| Inventories | (1,732) | (4) |
| Prepaid expenses | (3,900) | 1,405 |
| Income tax receivable | 30,239 | 18,425 |
| Other current assets | (2,245) | (800) |
| Other assets and deferred charges | 896 | (2,503) |
| Accounts payable | (20,336) | (4,918) |
| Accrued liabilities | 26,871 | 39,187 |
| Income taxes payable | 180 | 2,198 |
| Other liabilities | (2,458) | (4,874) |
| Net cash provided by operating activities | <u>233,057</u> | <u>198,088</u> |
| Cash flows from investing activities: | | |
| Capital expenditures | (99,889) | (37,915) |
| Proceeds from sales of property and equipment | 434 | 446 |
| Acquisition of a business, net of cash acquired | (822,752) | — |
| Net cash used in investing activities | <u>(922,207)</u> | <u>(37,469)</u> |
| Cash flows from financing activities: | | |
| Proceeds from debt | 821,500 | 37,000 |
| Payments of debt | (14,000) | (97,000) |
| Debt issuance costs | (17,748) | — |
| Proceeds from the exercise of stock options | 5,648 | 3,007 |
| Repurchases of common stock under share repurchase program | (25,015) | — |
| Repurchases of common stock to satisfy employee withholding tax obligations | (6,759) | (7,716) |
| Net cash provided by (used in) financing activities | <u>763,626</u> | <u>(64,709)</u> |
| Increase in cash and cash equivalents | 74,476 | 95,910 |
| Beginning cash and cash equivalents | 25,910 | 11,891 |
| Ending cash and cash equivalents | <u>\$ 100,386</u> | <u>\$ 107,801</u> |
| Supplemental disclosures of cash flow information: | | |
| Increase in fixed asset accounts payable | \$ 5,169 | \$ 2,745 |
| Cash paid (refund received) for income taxes, net | \$ (20,630) | \$ (1,189) |
| Cash paid for interest, net | \$ 22,021 | \$ 22,978 |

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S ENTERTAINMENT, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)

Note 1: Summary of Significant Accounting Policies

The accompanying unaudited consolidated financial statements include the accounts of Dave & Buster's Entertainment, Inc. (referred to herein as the "Company", "we," "us" and "our"), any predecessor companies and its wholly-owned subsidiaries, Dave & Buster's Holdings, Inc. ("D&B Holdings"), which owns 100% of the outstanding common stock of Dave & Buster's, Inc. ("D&B Inc"), the operating company. All intercompany balances and transactions have been eliminated in consolidation. The Company, headquartered in Coppell, Texas, is a leading operator of high-volume entertainment and dining venues ("stores") in North America for adults and families.

On June 29, 2022 (the "Closing Date"), the Company completed its previously announced acquisition (the "Main Event Acquisition" or "the Acquisition") of 100% of the equity interests of Ardent Leisure US Holding Inc. ("Ardent US"), pursuant to that certain Agreement and Plan of Merger (the "Merger Agreement"), dated April 6, 2022, by and among the Company, Ardent US, Delta Bravo Merger Sub, Inc, the Company's wholly-owned subsidiary formed for the purpose of completing the transactions set forth in the Merger Agreement, for the limited purposes set forth therein, Ardent Leisure Group Limited ("Ardent"), and, for the limited purposes set forth therein, RB ME LP ("RedBird") and RB ME Blocker, LLC, REB ME Series 2019 Investor Aggregator LP and RedBird Series 2019 GP Co-Invest, LP. Refer to Note 2, *Business Combinations*, for further details.

During the first and second quarters of fiscal 2022, the Company opened one Dave & Buster's store located in Sioux Falls, South Dakota and three Dave & Buster's stores located in Brooklyn (Atlantic Center), New York, Modesto, California, and Augusta, Georgia, respectively. As of July 31, 2022, the Company owned and operated 148 Dave & Buster's stores located in 41 states, Puerto Rico and one Canadian province and 49 Main Event and 3 The Summit stores (collectively referred to as "Main Event"), located in 17 states.

The Company operates its business as two operating units aggregated into one reportable segment. The Company operates on a 52 or 53-week fiscal year that ends on the Sunday after the Saturday closest to January 31. Each quarterly period reported has 13 weeks. Fiscal 2022 and 2021, which end on January 29, 2023, and January 30, 2022, respectively, contain 52 weeks.

The Company's financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States for interim financial information as prescribed by the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all the information and notes required by GAAP for complete financial statements. In the opinion of management, these financial statements contain all adjustments, consisting of normal recurring accruals, necessary to present fairly the financial position, results of operations and cash flows for the periods indicated. Our quarterly financial data should be read in conjunction with the audited financial statements and notes thereto for the year ended January 30, 2022, included in our Annual Report on Form 10-K as filed with the SEC.

The preparation of consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities at the date of the consolidated financial statements and for the period then ended. Actual results could differ from those estimates. Operating results for the twenty-six weeks ended July 31, 2022 are not necessarily indicative of results that may be expected for any other interim period or for the fiscal year ending January 29, 2023.

Cash and cash equivalents — We consider transaction settlements in process from credit card companies and all highly-liquid investments with original maturities of three months or less to be cash equivalents. Our cash management system provides for the daily funding of all major bank disbursement accounts as checks are presented for payment. Under this system, outstanding checks in excess of the cash balances at certain banks creates book overdrafts. A book overdraft of \$16,673 is presented in "Accounts payable" in the Consolidated Balance Sheets as of January 30, 2022. There was no book overdraft as of July 31, 2022. Changes in the book overdraft position are presented within "Net cash provided by operating activities" within the Consolidated Statements of Cash Flows.

Fair value of financial instruments — Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. In determining fair value, the accounting standards establish a three-level hierarchy for inputs used in measuring fair value as follows: Level One inputs are quoted prices available for identical assets or liabilities in active markets; Level Two inputs are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; and Level Three inputs are unobservable and reflect management's own assumptions.

[Table of Contents](#)

The carrying amounts of cash and cash equivalents, accounts and notes receivable, accounts payable, and other current liabilities approximate fair value because of their short-term nature. The fair value of the Company's interest rate swap is determined based upon Level Two inputs which includes valuation models as reported by our counterparties and third-party valuation specialists. These valuation models are based on the present value of expected cash flows using forward rate curves. The fair value of our senior secured notes was \$445,271 and \$456,204 as of July 31, 2022 and January 30, 2022, respectively. The fair value of the Company's term note was \$881,343 as of July 31, 2022. The fair value of the Company's debt is determined based on a discounted cash flow method, using a sector-specific yield curve based on market-derived, trade price data as of the measurement date, and is classified as a Level Two input within the fair value hierarchy.

The Company also measures certain non-financial assets (primarily property and equipment, right-of-use ("ROU") assets, goodwill, tradenames, and other assets) at fair value on a non-recurring basis in connection with its periodic evaluations of such assets for potential impairment. During the second quarter of fiscal 2022, an impairment of \$1,841 was recognized related to Main Event's corporate headquarters lease, which will be abandoned, and was included in "General and administrative expenses" in the Consolidated Statements of Comprehensive Income. During the first quarter of fiscal 2022, there were no impairments recognized.

Interest rate swaps — Effective February 28, 2019, the Company entered into three interest rate swap agreements to manage our exposure to interest rate movements on our variable rate credit facility. The notional amount of the swap agreements, which mature August 17, 2022, totals \$350,000 and the fixed rate of interest for all agreements is 2.47%. Effective April 14, 2020, the Company amended its existing credit facility agreement to obtain relief from its financial covenants, and as a result, the variable interest rate terms were modified to create an interest rate floor of 1.00%. Accordingly, the Company discontinued the hedging relationship as of April 14, 2020 (de-designation date), and the Company is reclassifying its accumulated other comprehensive loss of \$17,609 as of the de-designation date into "Interest expense, net" using a straight-line approach over the remaining life of the originally designated hedging relationship. Effective June 16, 2022, one of the three interest rate swap agreements was terminated before maturity. As of July 31, 2022, the unamortized balance to be reclassified is \$314. Effective with the de-designation, any gain or loss on the derivatives are recognized in earnings in the period in which the change occurs. For the twenty-six weeks ended July 31, 2022 and August 1, 2021, a gain of \$677 and a loss of \$88, respectively, were recognized, which are included in "Other store operating expenses" in the Consolidated Statements of Comprehensive Income.

The fair value of outstanding interest rate swap derivatives liability was \$30 and \$3,823 as of July 31, 2022 and January 30, 2022, respectively, and the balance is included in "Accrued liabilities" in the Consolidated Balance Sheets. The following table summarizes the activity in accumulated other comprehensive loss related to our derivative instruments:

| | Thirteen weeks ended | | Twenty-six weeks ended | |
|--|----------------------|----------------|------------------------|----------------|
| | July 31, 2022 | August 1, 2021 | July 31, 2022 | August 1, 2021 |
| Loss reclassified or amortized into interest expense | \$ 1,887 | \$ 1,887 | \$ 3,774 | \$ 3,774 |
| Income tax effect | \$ (515) | \$ (515) | \$ (1,031) | \$ (1,031) |

Revenue recognition — Amusement revenues are primarily recognized upon utilization of game play credits on power cards purchased and used by customers to activate video and redemption games. Redemption games allow customers to earn tickets, which may be redeemed for prizes. We have deferred a portion of amusement revenues for the estimated unfulfilled performance obligations based on an estimated rate of future use by customers of unused game play credits and the material right provided to customers to redeem tickets in the future for prizes. During the thirteen and twenty-six weeks ended July 31, 2022, we recognized revenue of approximately \$11,700 and \$30,800, respectively, related to the amount in deferred amusement revenue as of the end of fiscal 2021 (or as of the Closing Date of the Acquisition).

In jurisdictions where we do not have a legal obligation to remit unredeemed gift card balances to a legal authority, we recognize revenue on unredeemed gift cards in proportion to the pattern of redemption by the customers. During the thirteen and twenty-six weeks ended July 31, 2022, we recognized revenue of approximately \$1,200 and \$3,300 respectively, related to the amount in deferred gift card revenue as of the end of fiscal 2021 (or as of the Closing Date of the Acquisition), of which approximately \$140 and \$430, respectively, was breakage revenue.

Stockholders' equity — In our consolidated financial statements, the Company treats shares withheld for tax purposes on behalf of our employees in connection with the vesting of time-based and performance restricted stock units as common stock repurchases because they reduce the number of shares that would have been issued upon vesting. During the twenty-six weeks ended July 31, 2022 and August 1, 2021, respectively, we withheld 148,935 and 177,871 shares of common stock to satisfy \$6,759 and \$7,716 of employees' tax obligations, respectively.

Earnings per share — Basic net income (loss) per share is computed by dividing net income available to common shareholders by the basic weighted average number of common shares outstanding for the reporting period. Diluted net income per

[Table of Contents](#)

share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. For the calculation of diluted net income per share, the basic weighted average shares outstanding is increased by the dilutive effect of stock options and restricted share awards. Stock options and restricted share awards with an anti-dilutive effect are not included in the diluted net income per share calculation. For the thirteen weeks ended July 31, 2022 and August 1, 2021, the Company excluded anti-dilutive awards from the calculation of approximately 291,678 and 164,811, respectively. For the twenty-six weeks ended July 31, 2022, and August 1, 2021, the Company excluded anti-dilutive awards from the calculation of approximately 177,847 and 134,177, respectively. Basic weighted average shares outstanding are reconciled to diluted weighted average shares outstanding as follows:

| | Thirteen weeks ended | | Twenty-six weeks ended | |
|---|----------------------|----------------|------------------------|----------------|
| | July 31, 2022 | August 1, 2021 | July 31, 2022 | August 1, 2021 |
| Basic weighted average shares outstanding | 48,831,639 | 48,178,611 | 48,705,956 | 47,937,158 |
| Weighted average dilutive impact of awards | 439,882 | 1,051,206 | 651,095 | 1,335,535 |
| Diluted weighted average shares outstanding | 49,271,521 | 49,229,817 | 49,357,051 | 49,272,693 |

Recent accounting pronouncements — We reviewed the accounting pronouncements that became effective for our fiscal year 2022 and determined that either they were not applicable, or they did not have a material impact on the consolidated financial statements. We also reviewed the recently issued accounting pronouncements to be adopted in future periods and determined that they are not expected to have a material impact on the consolidated financial statements.

Note 2: Business Combinations

On June 29, 2022, the Company acquired Main Event for approximately \$837,380 in net cash and contingent consideration. Dallas-based Main Event, which debuted in 1998, is also focused on food, drinks, and games, largely for the demographic target of families with young children. The acquisition is expected to put the Company in a strategic position for accelerated, profitable growth in both brands as well as create cost synergies with our Dave & Buster's brand.

The Main Event Acquisition was made at a price above the determined fair value of the acquired identifiable net assets, resulting in goodwill, primarily due to expectations of the synergies that will be realized by combining the businesses and the benefits that will be gained from the assembled workforce. These synergies include the elimination of redundant facilities, functions, and staffing. None of the goodwill recorded from this business combination is expected to be tax deductible.

The acquisition has been accounted for using the acquisition method of accounting with assets acquired and liabilities assumed recorded at fair value, and the results of Main Event have been included in the accompanying financial statements from June 29, 2022, the date of acquisition. Acquisition transaction costs totaling approximately \$12,200 are recorded in general and administrative expenses as incurred.

The following summarizes the purchase consideration paid, which consisted of cash consideration of \$835,000 (adjusted for cash on hand, payment of certain Ardent US liabilities and other normal closing adjustments), resulting in gross cash consideration paid of \$857,293. The final cash consideration is subject to normal post-closing adjustments, with settlement occurring no later than 90 days after the Closing Date.

[Table of Contents](#)

The components of the purchase price and net assets acquired in the Main Event Acquisition are as follows:

| | <u>Amount</u> |
|--|------------------|
| Gross cash consideration | \$857,293 |
| Contingent consideration (1) | 14,628 |
| Less: cash acquired | <u>(34,541)</u> |
| Total consideration paid | <u>\$837,380</u> |
| Assets: | |
| Current assets | 16,820 |
| Property and equipment | 339,046 |
| Operating lease right of use assets | 285,422 |
| Deferred tax assets | 16,876 |
| Tradenames | 111,100 |
| Other assets and deferred charges | 4,263 |
| Liabilities: | |
| Accounts payable | 20,118 |
| Current portion of operating lease liabilities | 11,475 |
| Accrued liabilities | 42,154 |
| Operating lease liabilities | 312,193 |
| Other liabilities | 6,272 |
| Net assets acquired, excluding goodwill | <u>\$381,315</u> |
| Goodwill | <u>\$456,065</u> |

- (1) The Company has an obligation to pay, in cash, an aggregate amount equal to any “Transaction Tax Benefits,” with respect to any taxable year of the Company after the Closing Date ending on or before December 31, 2028, including the current taxable year. Transaction Tax Benefits is generally defined as any reduction in the Company’s liabilities for U.S. federal and state income taxes due to the use of net operating losses generated prior to the Closing Date. The contingent consideration could range from \$0 (if no Transaction Tax Benefits are achieved) to a cap, as defined in the Merger Agreement of approximately \$14,600 and will be paid to the selling shareholders in cash. The contingent consideration was initially valued based on the maximum amount provided in the Merger Agreement pending completion of the valuation analysis.

The preliminary allocation of the purchase price for the Acquisition was based on estimates of the fair value of the net assets acquired and are subject to adjustment for up to one year upon finalization, largely with respect to acquired property and equipment; lease assets and liabilities; deferred taxes; and contingent consideration. Measurements of these items inherently require significant estimates and assumptions considered to be Level Three fair value estimates.

The fair values of property and equipment were determined using a cost approach that utilized the Replacement Cost New methodology. Key inputs and assumptions include current cost estimates, functional and economic obsolescence. The fair values of the real estate leases were determined using a market approach that utilized the Above-Below Regression methodology. Key inputs and assumptions include mean rental rates (based on metrics such as rent/revenue and operating cash flow/revenue) and discount rate. The fair value of the tradename was determined using an income approach that utilized the Relief from Royalty methodology. Key inputs and assumptions include the Company’s projected future EBITDA, royalty rates, discount rate, and long-term growth rate.

The preliminary fair values of acquisition-related intangible assets are as follows:

| | <u>Amount</u> | <u>Useful Life(Yrs)</u> |
|---|------------------|-------------------------|
| Favorable/unfavorable lease contracts, net | \$ 8,694 | 5-10 |
| Tradenames | 111,100 | Indefinite |
| Total acquisition-related intangible assets | <u>\$119,794</u> | |

Taxes — The preliminary allocation of the purchase price consideration is based on preliminary valuations performed to determine the fair value of the net assets as of the Closing Date. The Company has conducted a preliminary assessment of the valuations and has recognized provisional deferred income tax amounts in its preliminary allocation for the identified assets and liabilities. However, the Company is continuing its procedures to identify information pertaining to these matters during the measurement period. If new information is obtained about facts and circumstances that existed at the Closing Date, the Company will either adjust its measurement of provisional deferred income tax amounts or recognize and measure assets and liabilities not previously identified.

Unaudited Pro Forma Information

To reflect the Acquisition as if it had occurred on February 1, 2021, the unaudited pro forma results include adjustments to reflect, among other things, the interest expense from debt financings obtained to partially fund the cash consideration transferred. Pro forma adjustments were tax effected at the Company's historical statutory rates in effect for the respective periods. The unaudited pro forma amounts are not necessarily indicative of the combined results of operations that would have been realized had the acquisitions and related financings occurred on the aforementioned dates, nor are they meant to be indicative of any anticipated combined results of operations that the Company will experience after the transaction. In addition, the amounts do not include any adjustments for actions that may be taken following the completion of the transaction, such as expected cost savings, operating synergies, or revenue enhancements that may be realized subsequent to the transaction.

The following unaudited pro forma information provides the effect of the Main Event Acquisition as if the acquisition had occurred on February 1, 2021:

| | Thirteen Weeks Ended | | Twenty-six Weeks Ended | |
|------------|----------------------|----------------|------------------------|----------------|
| | July 31, 2022 | August 1, 2021 | July 31, 2022 | August 1, 2021 |
| Revenues | \$ 544,554 | \$ 486,769 | \$1,120,074 | \$ 841,351 |
| Net income | \$ 12,621 | \$ 53,687 | \$ 84,822 | \$ 69,572 |

Main Event's revenues and net income attributable to the Company in the thirteen and twenty-six weeks ended July 31, 2022, subsequent to the acquisition date, were \$51,405 and \$5,668, respectively.

The historical consolidated financial information of the Company and Main Event has been adjusted in the pro forma information to give effect to pro forma events that are directly attributable to the acquisitions and related financing arrangements and are factually supportable.

Note 3: Goodwill and Intangible Assets, Net

Goodwill — Goodwill is evaluated at the level of the Company's single operating segment, which also represents the Company's only reporting unit. Goodwill is not subject to amortization and is evaluated for impairment annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value below carrying amount. Such events or circumstances generally include the occurrence of operating losses or a significant decline in earnings. The Company is permitted to first assess qualitative factors to determine whether the quantitative goodwill impairment test is necessary. If the qualitative assessment results in a determination that the fair value is more likely than not less than carrying amount, the Company performs a quantitative goodwill impairment test. The Company may bypass the qualitative assessment in any period and proceed directly to the goodwill impairment test. The Company estimates fair value by using forecasts of discounted future cash flows and peer market multiples. The Company would record an impairment charge based on the excess of the carrying amount over fair value (limited to the amount of goodwill). The Company determined that no impairments existed in periods reflected. The carrying amount of goodwill is impacted by foreign currency translation adjustments.

The changes in the carrying amount of goodwill during fiscal 2022 and fiscal 2021 are as follows:

| | |
|-----------------------------|-----------|
| Balance at January 31, 2021 | \$272,597 |
| Currency adjustment | — |
| Balance at January 30, 2022 | 272,597 |
| Currency adjustment | 2 |
| Acquisition of Main Event | 456,065 |
| Balance at July 31, 2022 | \$728,664 |

Intangible assets — Intangible assets consist of favorable and unfavorable lease contracts and tradenames. Favorable and unfavorable lease contracts with definite lives are being amortized using the straight-line method over their estimated useful lives, which range up to 10 years. The Company reviews these intangible assets for impairment when indication of potential impairment exists, such as a significant reduction in cash flows associated with the assets. When impairment indicators exist, the Company determines whether the carrying value of its intangible assets exceeds the related undiscounted cash flows. In these situations, the carrying value is written down to fair value.

[Table of Contents](#)

Tradenames with indefinite lives are not amortized and are reviewed for impairment annually or whenever events or changes in circumstances indicate they may be impaired. The Company may perform an optional qualitative assessment. If the Company determines that the fair value of the indefinite-lived intangible asset is more likely than not greater than its carrying amount, no additional testing is necessary. If not, or if the Company bypasses the optional qualitative assessment, the carrying value is written down to the fair value, if applicable.

The net carrying amount of intangibles are as follows:

| | July 31, 2022 | | | January 30, 2022 | | |
|--|---------------|--------------------------|------------|------------------|--------------------------|------------|
| | Gross Amount | Accumulated Amortization | Net Amount | Gross Amount | Accumulated Amortization | Net Amount |
| Favorable/unfavorable lease contracts, net | \$ 8,694 | \$ (84) | \$ 8,610 | \$ — | \$ — | \$ — |
| Tradenames (indefinite lived) | \$ 190,100 | N/A | N/A | \$ 79,000 | N/A | N/A |

The following table summarizes the estimated amortization expense for each of the next five fiscal years as of July 31, 2022:

| | |
|-------------------|----------|
| Remainder of 2022 | \$ 505 |
| 2023 | \$ 1,011 |
| 2024 | \$ 1,011 |
| 2025 | \$ 1,011 |
| 2026 | \$ 1,011 |

Note 4: Accrued Liabilities

Accrued liabilities consist of the following as of the end of each period:

| | July 31, 2022 | January 30, 2022 |
|---|---------------|------------------|
| Deferred amusement revenue | \$ 107,229 | \$ 92,961 |
| Current portion of operating lease liabilities, net (1) | 63,007 | 45,445 |
| Compensation and benefits | 52,556 | 27,447 |
| Deferred gift card revenue | 16,095 | 11,855 |
| Property taxes | 14,443 | 6,450 |
| Current portion of deferred occupancy costs | 10,793 | 19,164 |
| Accrued interest | 9,179 | 8,629 |
| Sales and use taxes | 9,080 | 4,465 |
| Customer deposits | 8,179 | 3,471 |
| Utilities | 7,868 | 5,262 |
| Current portion of long-term insurance | 6,100 | 5,700 |
| Variable rent liabilities | 3,687 | 1,411 |
| Other | 22,078 | 16,233 |
| Total accrued liabilities | \$ 330,294 | \$ 248,493 |

- (1) The balance of leasehold incentive receivables of \$10,536 and \$10,064 as of July 31, 2022 and January 30, 2022, respectively, is reflected as a reduction of the current portion of operating lease liabilities.

Note 5: Leases

We currently lease most of the buildings or sites for our stores, store support centers, and warehouse space under facility operating leases. These leases typically have initial terms ranging from ten to twenty years and include one or more options to renew. When determining the lease term, we include option periods for which renewal is reasonably certain. Most of the leases require us to pay property taxes, insurance, and maintenance of the leased assets. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. Operating leases also includes certain equipment leases that have a term in excess of one year. Certain facility leases also have provisions for additional contingent rentals based on revenues.

[Table of Contents](#)

During fiscal 2020 and the first half of fiscal 2021, the Company entered into rent relief agreements with our respective landlords. The Company elected to apply an available practical expedient to account for lease concessions and deferrals resulting directly from the COVID-19 pandemic as though the enforceable rights and obligations to the deferrals existed in the respective contracts at lease inception and not account for the concessions as lease modifications unless the concession results in a substantial increase in the Company's obligations. The majority of rent relief agreements qualified for this accounting election, and the remaining agreements were treated as lease modifications, primarily due to a significant extension of the lease term. The Company has bifurcated our current operating lease liabilities into the portion that remains subject to accretion and the portion that is accounted for as a deferral of payments. The current portion of deferred occupancy costs is included in "Accrued liabilities" and the balance, or \$4,293 and \$8,434 as of July 31, 2022, and January 30, 2022, respectively, is included in "Other liabilities" in the Consolidated Balance Sheets.

Operating lease cost, variable lease cost and short-term lease cost related primarily to our facilities is included in "Other store operating expenses" for our operating stores, "Pre-opening costs" for our stores not yet operating, or "General and administrative expenses" for our corporate office and warehouse, in the Consolidated Statements of Comprehensive Income.

The components of lease expense, including variable lease costs primarily consisting of common area maintenance charges and property taxes, are as follows for the fiscal year ended:

| | Thirteen Weeks Ended | | Twenty-Six Weeks Ended | |
|--|----------------------|------------------|------------------------|------------------|
| | July 31, 2022 | August 1, 2021 | July 31, 2022 | August 1, 2021 |
| Operating lease cost | \$ 38,824 | \$ 33,297 | \$ 73,606 | \$ 66,591 |
| Variable lease cost | 9,023 | 7,241 | 18,870 | 14,630 |
| Short-term lease cost | 195 | 187 | 312 | 310 |
| Amortization of favorable/unfavorable lease contracts, net | 84 | — | 84 | — |
| Total | <u>\$ 48,126</u> | <u>\$ 40,725</u> | <u>\$ 92,872</u> | <u>\$ 81,531</u> |

Minimum future maturities of operating lease liabilities were as follows as of July 31, 2022, by fiscal year:

| | |
|--|--------------------|
| Remainder of 2022 | \$ 87,998 |
| 2023 | 191,510 |
| 2024 | 191,626 |
| 2025 | 192,813 |
| 2026 | 194,074 |
| Thereafter | 1,786,702 |
| Total future operating lease liability | \$2,644,723 |
| Less: interest | (971,763) |
| Present value of operating lease liabilities | <u>\$1,672,960</u> |

Operating lease payments in the table above includes minimum lease payments for future sites for which the leases have commenced. Operating lease payments exclude approximately \$102,000 of minimum lease payments for seven executed facility leases which have not yet commenced.

Note 6: Debt

Long-term debt consists of the following:

[Table of Contents](#)

| | <u>July 31, 2022</u> | <u>January 30, 2022</u> |
|--------------------------------------|----------------------|-------------------------|
| Senior secured notes | \$ 440,000 | \$ 440,000 |
| Term loan | 850,000 | — |
| Total debt outstanding | 1,290,000 | 440,000 |
| Current portion | (8,500) | — |
| Original issue discount on term loan | (41,968) | — |
| Debt issuance costs | (19,854) | (8,605) |
| Long-term debt | <u>\$1,219,678</u> | <u>\$ 431,395</u> |

In connection with the closing of the Main Event Acquisition on June 29, 2022, D&B Inc entered into a senior secured credit agreement, which refinanced the \$500,000 existing revolving facility, extended the maturity date to June 29, 2027, and added a new term loan facility in the aggregate principal amount of \$850,000, with a maturity date of June 29, 2029 (“Credit Facility”). The proceeds of the term loan, net of an original issue discount of \$42,500, were used to pay the consideration for the Acquisition. The revolving credit facility can expire before the stated maturity date if the aggregate outstanding principal amount of the Notes exceeds \$100,000 ninety-one days prior to November 1, 2025. A portion of the revolving facility not to exceed \$35,000 is available for the issuance of letters of credit. At the end of the second quarter of fiscal 2022, we had letters of credit outstanding of \$8,605 and an unused commitment balance of \$491,395 under the revolving facility. The Credit Facility may be increased through incremental facilities, by an amount equal to the greater of (i) \$400,000 and (ii) 0.75 times trailing twelve-month Adjusted EBITDA, as defined, plus additional amounts subject to compliance with applicable leverage ratio and/or interest coverage ratio requirements. The Credit Facility is unconditionally guaranteed by D&B Holdings and certain of D&B Inc’s existing and future wholly owned material domestic subsidiaries.

The interest rates per annum applicable to SOFR term loans are based on a defined SOFR rate (with a floor of 0.50%) plus an additional credit spread adjustment of 0.10%, plus a margin of 5.00%. The interest rates per annum applicable to SOFR revolving loans are based on the term loan SOFR rate, plus an additional credit spread adjustment of 0.10%, plus an initial margin of 4.75%. Unused commitments under the revolving facility incur initial commitment fees of 0.50%. After the Company’s third quarter of fiscal 2022, the margin for SOFR revolving loans are subject to a pricing grid based on net total leverage, ranging from 4.25% to 4.75%, and commitment fees are subject to a pricing grid based on net total leverage, ranging from 0.30% to 0.50%.

During fiscal 2020, the Company issued \$550,000 aggregate principal amount of 7.625% senior secured notes (the “Notes”). Interest on the Notes is payable in arrears on November 1 and May 1 of each year. The Notes mature on November 1, 2025, unless earlier redeemed, and are subject to the terms and conditions set forth in the related indenture. The Notes were issued by D&B Inc and are unconditionally guaranteed by D&B Holdings and certain of D&B Inc’s existing and future wholly owned material domestic subsidiaries. During fiscal 2021, the Company redeemed a total of \$110,000 outstanding principal amount of the Notes, and paid prepayment premiums of \$3,300, plus accrued and unpaid interest to the date of redemptions. The early redemptions of the Notes resulted in a loss on extinguishment of approximately \$2,300 related to a proportional amount of unamortized issuance costs. Beginning October 27, 2022, the Company may elect to further redeem the Notes, in whole or in part, at certain specified redemption prices, plus accrued and unpaid interest, at the redemption date.

Amortization of debt issuance costs and original issue discount was \$1,636 and \$2,595 for the thirteen and twenty-six weeks ended July 31, 2022, and \$1,103 and \$2,205 for the thirteen and twenty-six weeks ended August 1, 2021, respectively, and is included in “Interest expense, net” in the Consolidated Statements of Comprehensive Income. For the twenty-six weeks ended July 31, 2022, and August 1, 2021, respectively, the Company’s weighted average effective interest rate on our total debt facilities (before capitalized interest amounts) was 10.08% and 10.17%, respectively. During the second quarter of fiscal 2022, the Company recognized a loss of \$1,479, related to the write off of unamortized debt issuance costs associated with exiting creditors of the refinanced revolving facility.

Our debt agreements contain restrictive covenants that, among other things, place certain limitations on our ability to incur additional indebtedness, make loans or advances to subsidiaries and other entities, pay dividends, acquire other businesses or sell assets. The Credit Facility also requires the Company to maintain a maximum net total leverage ratio, as defined, as of the end of each fiscal quarter, beginning with the Company’s first full fiscal quarter after the Closing Date.

Note 7: Commitments and Contingencies

We are subject to certain legal proceedings and claims that arise in the ordinary course of our business, including claims alleging violations of federal and state law regarding workplace and employment matters, discrimination, slip-and-fall and other customer-related incidents and similar matters. In the opinion of management, based upon consultation with legal counsel, the amount of ultimate liability, with respect to such legal proceedings and claims will not materially affect the consolidated results of our operations or our financial condition. Legal costs related to such claims are expensed as incurred.

[Table of Contents](#)

The Company is a defendant in several lawsuits filed in courts in California alleging violations of California Business and Professions Code, industry wage orders, wage-and-hour laws and rules and regulations pertaining primarily to the failure to pay proper regular and overtime wages, failure to pay for missed meals and rest periods, pay stub violations, failure to pay all wages due at the time of termination and other employment related claims (the “California Cases”). Some of the California Cases purport or may be determined to be class actions or Private Attorneys General Act representative actions and seek substantial damages and penalties. The Company’s assessments of potential liabilities associated with these claims are based on assumptions that have been deemed reasonable by management, but that may prove to be incomplete or inaccurate, and unanticipated events and circumstances may occur that might cause the Company to change those estimates and assumptions. Management’s assessment of these California Cases, as well as other lawsuits, could change because of future determinations or the discovery of facts that are not presently known. Accordingly, the ultimate costs of resolving these cases may be substantially higher or lower than estimated. The Company continues to aggressively defend the remaining cases.

Note 8: Share-Based Compensation

Compensation expense related to stock options and restricted stock units is included in “General and administrative expenses” in the Consolidated Statements of Comprehensive Income and is as follows:

| | Thirteen Weeks Ended | | Twenty-six Weeks Ended | |
|----------------------------------|----------------------|-----------------|------------------------|-----------------|
| | July 31, 2022 | August 1, 2021 | July 31, 2022 | August 1, 2021 |
| Stock options | \$ 307 | 84 | \$ 568 | 358 |
| Restricted stock units | 4,391 | 3,103 | 7,685 | 5,800 |
| Share-based compensation expense | <u>\$ 4,698</u> | <u>\$ 3,187</u> | <u>\$ 8,253</u> | <u>\$ 6,158</u> |

Transactions related to stock option awards during the twenty-six weeks ended July 31, 2022 were as follows:

| | 2014 Stock Incentive Plan | | 2010 Stock Incentive Plan | |
|---------------------------------|---------------------------|--------------------------|---------------------------|--------------------------|
| | Number of Options | Wtd. Avg. Exercise Price | Number of Options | Wtd. Avg. Exercise Price |
| Outstanding at January 30, 2022 | 933,379 | \$ 42.50 | 73,554 | \$ 8.33 |
| Granted | 188,793 | 36.49 | — | — |
| Exercised | (160,091) | 34.95 | (6,059) | 8.69 |
| Forfeited | (8,847) | 57.33 | — | — |
| Outstanding at July 31, 2022 | <u>953,234</u> | <u>\$ 42.43</u> | <u>67,495</u> | <u>\$ 8.30</u> |
| Exercisable at July 31, 2022 | <u>764,441</u> | <u>\$ 43.90</u> | <u>67,495</u> | <u>\$ 8.30</u> |

The total intrinsic value of options exercised during the twenty-six weeks ended July 31, 2022 was \$2,287. The unrecognized expense related to our stock option plan totaled approximately \$4,159 as of July 31, 2022 and will be expensed over a weighted average period of 4.3 years.

Transactions related to restricted stock units during the twenty-six weeks ended July 31, 2022, were as follows:

| | Shares | Wtd. Avg. Fair Value |
|---------------------------------|------------------|----------------------|
| Outstanding at January 30, 2022 | 922,799 | \$ 24.88 |
| Granted | 824,972 | 39.77 |
| Performance adjusted units | 11,808 | 46.75 |
| Vested | (484,492) | 22.56 |
| Forfeited | (54,106) | 50.51 |
| Outstanding at July 31, 2022 | <u>1,220,981</u> | <u>\$ 34.94</u> |

[Table of Contents](#)

Fair value of our time-based and performance-based restricted stock units is based on our closing stock price on the date of grant. The grant date fair value of stock options was determined using the Black-Scholes option valuation model. The grant date fair value of market-based restricted stock units was determined using the Monte Carlo valuation model. The unrecognized expense related to restricted stock units was \$32,489 as of July 31, 2022 and will be expensed over a weighted average period of 3.2 years.

During the second quarter of fiscal 2022, the Company granted certain options, time-based, performance-based, and market-based restricted stock units to the newly appointed chief executive officer. The majority of these grants vest over five years, but the market-based restricted stock units can vest earlier if the targets are achieved prior to that time. As a result, the requisite service period for such grants was determined to be less than the explicit service period.

During the twenty-six weeks ended July 31, 2022 and August 1, 2021, excess tax expense (benefit) of \$(3,133) and \$(5,665), respectively, were recognized in the "Provision for income taxes" in the Consolidated Statement of Comprehensive Income and classified as a source in operating activities in the Consolidated Statement of Cash Flows.

Note 9: Income Taxes

The effective tax rate for the twenty-six weeks ended July 31, 2022, was 23.3%, compared to 17.4% for the twenty-six weeks ended August 1, 2021. The previous year tax provision includes higher excess tax benefits associated with share-based compensation and credits associated with the reversal of certain tax valuation allowances.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") was signed into law. Intended to provide economic relief to those impacted by the COVID-19 pandemic, the CARES Act includes provisions, among others, allowing for the carryback of net operating losses generated in fiscal 2018, 2019 and 2020 and technical amendments regarding the expensing of qualified improvement property. The application of the technical amendments made by the CARES Act to qualified improvement property resulted in additional tax net operating losses which were carried back from fiscal 2020 and fiscal 2019 to years with a higher federal corporate income tax rate. During the second quarter of fiscal 2021, the Company filed the fiscal 2020 carryback claims for federal tax refunds of approximately \$57,400, of which approximately \$33,200 were received during the first quarter of fiscal 2022.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read together with the accompanying unaudited consolidated financial statements and the related notes in Item 1 and with the audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K as filed with the Securities and Exchange Commission (“SEC”) on March 29, 2022. Unless otherwise specified, the meanings of all defined terms in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” are consistent with the meanings of such terms as defined in the Notes to Unaudited Consolidated Financial Statements. This discussion contains statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes,” “estimates,” “anticipates,” “expects,” “intends,” “may,” “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not a guarantee of future performance and our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this quarterly report as a result of various factors, including those set forth in the section entitled “Risk Factors” in our Annual Report on Form 10-K filed with the SEC on March 29, 2022. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Form 10-Q, such results or developments may not be indicative of results or developments in subsequent periods.

Recent Events

On June 29, 2022, the Company completed its previously announced Main Event Acquisition. As of July 31, 2022, there were 49 family entertainment centers under the name Main Event and 3 family entertainment centers under the name The Summit (collectively referred to as “Main Event”), operating in seventeen states. Refer to Note 2, *Business Combinations*, to the Unaudited Consolidated Financial Statements for further details.

Quarterly Financial Highlights

- Revenues totaled \$468,359 in the second quarter of 2022 compared with \$344,599 in the second quarter of 2019. A total of 148 and 130 Dave & Buster’s stores were open and operating without restrictions at the end of the second quarter of 2022 and 2019, respectively. The newly acquired Main Event stores contributed revenues of \$51,405 from the acquisition on June 29, 2022, through the end of the second quarter. Revenues totaled \$377,638 in the second quarter of 2021, which ended with 142 Dave & Buster’s stores open and operating in limited capacity.
- Overall Dave & Buster’s comparable store sales increased 9.6% compared with the same period in 2019 and increased 5.7% compared with the same period in 2021, which ended with 113 comparable Dave & Buster’s stores open and operating in limited capacity.
- Net income totaled \$29,088, or \$0.59 per diluted share, compared with net income of \$32,356, or \$0.90 per diluted share in the same period of 2019. Net income in the second quarter of fiscal 2022 was impacted by incremental acquisition and integration costs related to the Main Event Acquisition. In the same period of 2021, we recorded net income of \$52,770.
- Adjusted EBITDA totaled \$119,550, or 25.5% of revenues, compared with Adjusted EBITDA of \$85,982 or 25.0% of revenues in the second quarter of 2019. Adjusted EBITDA was \$119,152 or 31.6% of revenues in the second quarter of 2021.
- Ended the quarter with \$100,386 in cash and \$491,395 of liquidity available under the Company’s revolving credit facility.

General

We are a leading owner and operator of high-volume venues in North America that combine dining and entertainment for both adults and families under the names “Dave & Buster’s” and “Main Event”. The core of our concept is to offer our customers the opportunity to “Eat Drink Play and Watch” all in one location. Eat and Drink are offered through a full menu of entrées and appetizers and a full selection of non-alcoholic and alcoholic beverages. Our Play and Watch offerings provide an extensive assortment of

[Table of Contents](#)

entertainment attractions centered around playing games, bowling, and watching live sports and other televised events. Our brands appeal to a relatively balanced mix of male and female adults, as well as families and teenagers. We believe we appeal to a diverse customer base by providing a highly customizable experience in a dynamic and fun setting.

Our Dave & Buster's stores, which average 40,000 square feet, range in size between 16,000 and 70,000 square feet. Our Main Event stores, which average 54,000 square feet, range in size between 46,000 and 74,000 square feet. Generally, our stores are open seven days a week, with normal hours of operation generally from between 10:00 to 11:30 a.m. until midnight, with stores typically open for extended hours on weekends.

Key Measures of Our Performance

We monitor and analyze several key performance measures to manage our business and evaluate financial and operating performance. These measures include:

Comparable store sales. Comparable store sales are a comparison of sales to the same period of prior years for the comparable store base. We historically define the comparable store base to include those stores open for a full 18 months before the beginning of the fiscal year and excluding stores permanently closed during the period. Due to the limitations of store operations during the COVID-19 pandemic, the comparable store base for fiscal 2022 is defined as stores open for a full 18 months before the beginning of fiscal 2020 and excludes two stores that the Company elected not to reopen after they were closed in March 2020 due to local operating limitations and one store in Cary, North Carolina that was closed and relocated during the fourth quarter of fiscal 2021. For the first and second quarter of fiscal 2022, our comparable store base consisted of 113 stores. Our Main Event stores were not included in comparable store sales for the thirteen and twenty-six weeks ended July 31, 2022.

New store openings. Our ability to expand our business and reach new customers is influenced by the opening of additional stores in both new and existing markets. The success of our new stores is indicative of our brand appeal and the efficacy of our site selection and operating models. Between August 1, 2021 and July 31, 2022, we closed and relocated one Dave & Buster's store and opened an additional six new Dave & Buster's stores.

Non-GAAP Financial Measures

In addition to the results provided in accordance with generally accepted accounting principles ("GAAP"), we provide non-GAAP measures which present operating results on an adjusted basis. These are supplemental measures of performance that are not required by or presented in accordance with GAAP and include Adjusted EBITDA, Adjusted EBITDA Margin, Store Operating Income Before Depreciation and Amortization and Store Operating Income Before Depreciation and Amortization Margin (defined below). These non-GAAP measures do not represent and should not be considered as an alternative to net income or cash flows from operations, as determined in accordance with GAAP, and our calculations thereof may not be comparable to similarly entitled measures reported by other companies and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Although we use these non-GAAP measures to assess the operating performance of our business, they have significant limitations as an analytical tool because they exclude certain material costs. For example, Adjusted EBITDA does not take into account a number of significant items, including our interest expense and depreciation and amortization expense. In addition, Adjusted EBITDA excludes pre-opening and other costs which may be important in analyzing our GAAP results. Because Adjusted EBITDA does not account for these expenses, its utility as a measure of our operating performance has material limitations. Our calculations of Adjusted EBITDA adjust for these amounts because they vary from period to period and do not directly relate to the ongoing operations of the currently underlying business of our stores and therefore complicate comparison of underlying business between periods. Nevertheless, because of the limitations described above, management does not view Adjusted EBITDA or Store Operating Income Before Depreciation and Amortization in isolation and also uses other measures, such as revenues, gross margin, operating income and net income, to measure operating performance.

Adjusted EBITDA and Adjusted EBITDA Margin. We define "Adjusted EBITDA" as net income (loss) plus interest expense, net, loss on debt extinguishment or refinancing, provision (benefit) for income taxes, depreciation and amortization expense, loss on asset disposal, impairment of long-lived assets, share-based compensation, pre-opening costs, currency transaction (gains) losses and other costs. "Adjusted EBITDA Margin" is defined as Adjusted EBITDA divided by total revenues.

Adjusted EBITDA is presented because we believe that it provides useful information to investors and analysts regarding our operating performance. By reporting Adjusted EBITDA, we provide a basis for comparison of our business operations between current, past and future periods by excluding items that we do not believe are indicative of our core operating performance.

Store Operating Income Before Depreciation and Amortization and Store Operating Income Before Depreciation and Amortization Margin. We define "Store Operating Income Before Depreciation and Amortization" as operating income (loss) plus depreciation and amortization expense, general and administrative expenses and pre-opening costs. "Store Operating Income Before Depreciation and Amortization Margin" is defined as Store Operating Income Before

[Table of Contents](#)

Depreciation and Amortization divided by total revenues. Store Operating Income Before Depreciation and Amortization Margin allows us to evaluate operating performance of each store across stores of varying size and volume.

We believe that Store Operating Income Before Depreciation and Amortization is another useful measure in evaluating our operating performance because it removes the impact of general and administrative expenses, which are not incurred at the store-level, and the costs of opening new stores, which are non-recurring at the store-level, and thereby enables the comparability of the operating performance of our stores for the periods presented. We also believe that Store Operating Income Before Depreciation and Amortization is a useful measure in evaluating our operating performance within the entertainment and dining industry because it permits the evaluation of store-level productivity, efficiency, and performance, and we use Store Operating Income Before Depreciation and Amortization as a means of evaluating store financial performance compared with our competitors. However, because this measure excludes significant items such as general and administrative expenses and pre-opening costs, as well as our interest expense, net and depreciation and amortization expense, which are important in evaluating our consolidated financial performance from period to period, the value of this measure is limited as a measure of our consolidated financial performance.

Presentation of Operating Results

We operate on a 52 or 53-week fiscal year that ends on the Sunday after the Saturday closest to January 31. Each quarterly period has 13 weeks, except in a 53-week year when the fourth quarter has 14 weeks. All references to the second quarter of 2022 relate to the 13-week period ended July 31, 2022. All references to the second quarter of 2021 relate to the 13-week period ended August 1, 2021. All references to the second quarter of 2019 relate to the 13-week period ended August 4, 2019. Fiscal 2022, fiscal 2021 and fiscal 2019 consist of 52 weeks. All dollar amounts are presented in thousands, unless otherwise noted, except share and per share amounts.

Store-Level Variability, Quarterly Fluctuations, Seasonality and Inflation

We have historically operated stores varying in size and have experienced significant variability among stores in volumes, operating results and net investment costs.

Our new stores historically open with sales volumes in excess of their expected long-term run-rate levels, which we refer to as a “honeymoon” effect. We traditionally expect our new store sales volumes in year two to be approximately 10% to 20% lower than our year one targets, and to grow in line with the rest of our comparable store base thereafter. As a result of the substantial revenues associated with each new store, the number and timing of new store openings may result in significant fluctuations in quarterly results.

In the first year of operation new store operating margins (excluding pre-opening expenses) typically benefit from honeymoon sales leverage on occupancy, management labor, and other fixed costs. This benefit is partially offset by normal inefficiencies in hourly labor and other costs associated with establishing a new store. In year two, operating margins may decline due to the loss of honeymoon sales leverage on fixed costs which is partially offset by improvements in store operating efficiency. Furthermore, rents in our new stores are typically higher than our comparable store base.

Our operating results fluctuate significantly due to seasonal factors. Typically, we have higher revenues associated with spring and year-end holidays which will continue to be susceptible to the impact of severe or unseasonably mild weather on customer traffic and sales during that period. Our third quarter, which encompasses the back-to-school fall season, has historically had lower revenues as compared to the other quarters.

We expect that economic and environmental conditions and changes in regulatory legislation will continue to exert pressure on both supplier pricing and consumer spending related to entertainment and dining alternatives. Although there is no assurance that our cost of products will remain stable or that federal, state, or local minimum wage rates will not increase beyond amounts currently legislated, the effects of any supplier price increase or wage rate increases might be partially offset by selected menu price increases if competitively appropriate. In addition, how quickly, and to what extent, normal economic and operating conditions can resume cannot be predicted, and the resumption of normal business operations may be delayed or constrained by lingering effects of the COVID-19 pandemic on us or our suppliers, third-party service providers, and/or customers.

[Table of Contents](#)

Thirteen Weeks Ended July 31, 2022 Compared to Thirteen Weeks Ended August 1, 2021

Results of operations. The following table sets forth selected data, in thousands of dollars and as a percentage of total revenues (unless otherwise noted) for the periods indicated. All information is derived from the accompanying unaudited consolidated statements of comprehensive income.

| | Thirteen Weeks Ended July 31, 2022 | | Thirteen Weeks Ended August 1, 2021 | |
|---|---------------------------------------|-------|--|--------|
| Food and beverage revenues | \$ 156,995 | 33.5% | \$ 123,006 | 32.6% |
| Amusement and other revenues | 311,364 | 66.5 | 254,632 | 67.4 |
| Total revenues | 468,359 | 100.0 | 377,638 | 100.0 |
| Cost of food and beverage (as a percentage of food and beverage revenues) | 46,461 | 29.6 | 33,127 | 26.9 |
| Cost of amusement and other (as a percentage of amusement and other revenues) | 29,075 | 9.3 | 24,584 | 9.7 |
| Total cost of products | 75,536 | 16.1 | 57,711 | 15.3 |
| Operating payroll and benefits | 113,674 | 24.3 | 80,623 | 21.3 |
| Other store operating expenses | 142,440 | 30.4 | 105,116 | 27.9 |
| General and administrative expenses | 37,710 | 8.1 | 18,470 | 4.9 |
| Depreciation and amortization expense | 38,614 | 8.2 | 34,875 | 9.2 |
| Pre-opening costs | 3,913 | 0.8 | 1,676 | 0.4 |
| Total operating costs | 411,887 | 87.9 | 298,471 | 79.0 |
| Operating income | 56,472 | 12.1 | 79,167 | 21.0 |
| Interest expense, net | 17,118 | 3.7 | 13,728 | 3.7 |
| Loss on debt refinancing | 1,479 | 0.3 | 0 | 0 |
| Income before provision for income taxes | 37,875 | 8.1 | 65,439 | 17.3 |
| Provision for income taxes | 8,787 | 1.9 | 12,669 | 3.3 |
| Net income | \$ 29,088 | 6.2% | \$ 52,770 | 14.0% |
| Change in comparable store sales (1) | | 5.7% | | 690.8% |
| Comparable stores at end of period (1) | | 113 | | 114 |
| Company-owned stores at end of period (1) | | 200 | | 142 |

- (1) Our comparable store count as of the end of the second quarter of fiscal 2022 excludes a store in Cary, North Carolina, which was closed and relocated during the fourth quarter of fiscal 2021. Company-owned stores as of July 31, 2022, include 52 Main Event stores, which were acquired on June 29, 2022. These stores are not considered comparable stores.

[Table of Contents](#)

Reconciliations of Non-GAAP Financial Measures

Adjusted EBITDA

The following table reconciles (in dollars and as a percent of total revenues) Net income to Adjusted EBITDA for the periods indicated:

| | Thirteen Weeks Ended July 31, 2022 | | Thirteen Weeks Ended August 1, 2021 | |
|---------------------------------------|---------------------------------------|-------|--|-------|
| Net income | \$ 29,088 | 6.2% | \$ 52,770 | 14.0% |
| Interest expense, net | 17,118 | | 13,728 | |
| Loss on debt refinancing | 1,479 | | — | |
| Provision for income taxes | 8,787 | | 12,669 | |
| Depreciation and amortization expense | 38,614 | | 34,875 | |
| EBITDA | 95,086 | 20.3% | 114,042 | 30.2% |
| Loss on asset disposal | 154 | | 112 | |
| Impairment of long-lived assets | 1,841 | | — | |
| Share-based compensation | 4,698 | | 3,187 | |
| Pre-opening costs | 3,913 | | 1,676 | |
| Other costs (1) | 13,858 | | 135 | |
| Adjusted EBITDA | <u>\$119,550</u> | 25.5% | <u>\$119,152</u> | 31.6% |

- (1) Primarily represents \$7,700 in costs related to the acquisition of Main Event. Refer to Note 2 of the Unaudited Consolidated Financial Statements for more information.

Store Operating Income Before Depreciation and Amortization

The following table reconciles (in dollars and as a percent of total revenues) Operating income to Store Operating Income Before Depreciation and Amortization for the periods indicated:

| | Thirteen Weeks Ended July 31, 2022 | | Thirteen Weeks Ended August 1, 2021 | |
|---|---------------------------------------|-------|--|-------|
| Operating income | \$ 56,472 | 12.1% | \$ 79,167 | 21.0% |
| General and administrative expenses | 37,710 | | 18,470 | |
| Depreciation and amortization expense | 38,614 | | 34,875 | |
| Pre-opening costs | 3,913 | | 1,676 | |
| Store Operating Income Before Depreciation and Amortization | <u>\$136,709</u> | 29.2% | <u>\$134,188</u> | 35.5% |

Capital Additions

The table below reflects accrual-based capital additions. Capital additions do not include any reductions for accrual-based leasehold improvement incentives or proceeds from sale-leaseback transactions (collectively, "Payments from landlords").

| | Thirteen Weeks Ended July 31, 2022 | Thirteen Weeks Ended August 1, 2021 |
|-------------------------------------|---------------------------------------|--|
| New store and operating initiatives | \$ 37,016 | \$ 12,611 |
| Games | 17,826 | 9,443 |
| Maintenance capital | 7,262 | 6,402 |
| Total capital additions | <u>\$ 62,104</u> | <u>\$ 28,456</u> |
| Payments from landlords | \$ 7,215 | \$ 2,085 |

[Table of Contents](#)

Results of Operations

Revenues

In March 2020, a novel strain of coronavirus (“COVID-19”) outbreak was declared a global pandemic and a National Public Health Emergency. Shortly after the national emergency declaration, state and local officials began placing restrictions on businesses, some of which allowed To-Go or curbside service only while others limited capacity in the dining room or arcade (“Midway”). By March 20, 2020, all our 137 operating stores were temporarily closed. On April 30, 2020, our first store re-opened to the public, and by the end of fiscal 2020, 107 of our 140 stores were open and operating. These stores were operating with a combination of limited menus, reduced dining room seating, reduced game availability in the Midway, reduced operating hours and other restrictions referred to as “limited operations” or “operating in limited capacity.” As of the end of the first quarter of fiscal 2021, 138 of our 141 stores were operating in some limited capacity. The Company re-opened the remaining stores that had been temporarily closed by the end of the second quarter of fiscal 2021. During the first quarter of fiscal 2022 any remaining local COVID-19 related operating restrictions on re-opened stores were removed.

On June 29, 2022, the Company completed the Main Event Acquisition, acquiring 49 Main Event and 3 The Summit stores.

Selected revenue and store data for the periods indicated are as follows:

| | Thirteen Weeks Ended | | |
|---|----------------------|----------------|----------|
| | July 31, 2022 | August 1, 2021 | Change |
| Total revenues | \$ 468,359 | \$ 377,638 | \$90,721 |
| Total store operating weeks | 2,171 | 1,817 | 354 |
| Comparable store revenues | \$ 333,967 | \$ 316,006 | \$17,961 |
| Comparable store operating weeks | 1,469 | 1,445 | 24 |
| Noncomparable store revenues—Dave & Buster’s | \$ 84,723 | 69,164 | \$15,559 |
| Noncomparable store operating weeks—Dave & Buster’s | 442 | 372 | 70 |
| Noncomparable store revenues—Main Event | 51,405 | — | 51,405 |
| Noncomparable store operating weeks—Main Event | 260 | — | 260 |
| Other revenues and deferrals—Dave & Buster’s | \$ (1,736) | \$ (7,532) | \$ 5,796 |

Total revenues increased \$90,721, or 24.0%, to \$468,359 in the second quarter of fiscal 2022 compared to total revenues of \$377,638 in the second quarter of fiscal 2021. The increase in revenue is attributable to \$51,405 in revenue from our Main Event stores, an additional 70 new Dave & Buster’s store operating weeks, and a 5.7% increase in comparable store sales. The table below represents our revenue mix for the fiscal periods indicated. The shift in mix from amusement sales to food and beverage sales of 90 basis points is due, in part, to increased special events, beverage price increases during the second quarter of fiscal 2022, and food price increases effective midway through the third quarter of fiscal 2021.

| | Thirteen Weeks Ended | |
|-----------------|----------------------|----------------|
| | July 31, 2022 | August 1, 2021 |
| Food sales | 23.4% | 22.4% |
| Beverage sales | 10.1% | 10.2% |
| Amusement sales | 65.8% | 67.2% |
| Other | 0.7% | 0.2% |

Comparable store revenue increased \$17,961 or 5.7%, in the second quarter of fiscal 2022 compared to the second quarter of fiscal 2021, due to the reasons noted above, including a 1.7% increase in comparable store operating weeks. Comparable store sales in the second quarter of fiscal 2022 increased 9.6% compared to the second quarter of fiscal 2019.

Food sales at comparable stores increased by \$10,176, or 14.6%, to \$79,722 in the second quarter of fiscal 2022 from \$69,546 in the second quarter of fiscal 2021. Beverage sales at comparable stores increased by \$2,809, or 8.6%, to \$35,319 in the second quarter of fiscal 2022 from \$32,510 in the 2021 comparison period. Comparable store amusement and other revenues in the second quarter of fiscal 2022 increased by \$4,976, or 2.3%, to \$218,926 from \$213,950 in the comparable period of fiscal 2021.

Dave & Buster’s non-comparable store revenue increased \$15,559 in the second quarter of fiscal 2022 compared to the second quarter of fiscal 2021, for the same reasons noted above, including 70 more store operating weeks.

Cost of products

The total cost of products was \$75,536 for the second quarter of fiscal 2022 and \$57,711 for the second quarter of fiscal 2021. The total cost of products as a percentage of total revenues increased 80 basis points to 16.1% for the second quarter of fiscal 2022 compared to 15.3% for the second quarter of fiscal 2021.

Cost of food and beverage products increased to \$46,461 compared to \$33,127 for the second quarter of fiscal 2021. Cost of food and beverage products, as a percentage of food and beverage revenues, increased 270 basis points to 29.6% for the second quarter of fiscal 2022 from 26.9% for the second quarter of fiscal 2021. The unfavorable impacts of commodity cost increases primarily in meat and dairy products during the second quarter of fiscal 2022 were partially offset by food and beverage price increases.

Cost of amusement and other increased to \$29,075 in the second quarter of fiscal 2022 compared to \$24,584 in the second quarter of fiscal 2021. The costs of amusement and other, as a percentage of amusement and other revenues, decreased 40 basis points to 9.3% for the second quarter of fiscal 2022 from 9.7% in the second quarter of fiscal 2021. This decrease was driven primarily by a change in prices at the game level implemented late in fiscal 2021.

Operating payroll and benefits

Total operating payroll and benefits increased by \$33,051, or 41.0%, to \$113,674 in the second quarter of fiscal 2022 compared to \$80,623 in the second quarter of fiscal 2021. Total operating payroll and benefits for the second quarter of fiscal 2022 included approximately \$14,000 of payroll and benefits from our Main Event stores. The total cost of operating payroll and benefits as a percentage of total revenues was 24.3% in the second quarter of fiscal 2022 compared to 21.3% in the second quarter of fiscal 2021. This increase is primarily due to an hourly wage rate increase, offset slightly by lower incentive compensation as the second quarter of fiscal 2021 included referral and retention incentives.

Other store operating expenses

Other store operating expenses increased by \$37,324, or 35.5%, to \$142,440 in the second quarter of fiscal 2022 compared to \$105,116 in the second quarter of fiscal 2021. The increase is primarily due to the addition of operating costs related to our Main Event stores, the impact of new Dave & Buster's store openings, higher security cost, cleaning services and higher marketing spend associated with the "Summer in the Great Indoors" campaign. Other store operating expense as a percentage of total revenues increased to 30.4% in the second quarter of fiscal 2022 compared to 27.9% in the second quarter of fiscal 2021. This increase in basis points was due primarily to increased security costs, cleaning services, and higher marketing spend.

General and administrative expenses

General and administrative expenses increased by \$19,240, or 104.2%, to \$37,710 in the second quarter of fiscal 2022 compared to \$18,470 in the second quarter of fiscal 2021. The increase in general and administrative expenses was driven primarily by \$13,858 of transaction and integration costs related to the Main Event Acquisition, \$1,841 impairment of the existing Main Event corporate office right-of-use asset, an increase in share-based compensation expense, and higher payroll and incentive compensation, including the addition of Main Event store support center personnel. General and administrative expenses, as a percentage of total revenues increased to 8.1% in the second quarter of fiscal 2022 compared to 4.9% in the second quarter of fiscal 2021 due to the reasons noted above.

Depreciation and amortization expense

Depreciation and amortization expense increased to \$38,614 in the second quarter of fiscal 2022 compared to \$34,875 in the second quarter of fiscal 2021, primarily due to the addition of Main Event. Incremental depreciation for Main Event was partially offset by a net decrease in depreciation expense at Dave & Buster's stores as the impact of assets reaching the end of their depreciable lives exceeded expense increases due to recent capital expenditures for new stores, operating initiatives, games, and maintenance capital.

Pre-opening costs

Pre-opening costs increased by \$2,237 to \$3,913 in the second quarter of fiscal 2022 compared to \$1,676 in the second quarter of fiscal 2021 due largely to an increase in the number of new Dave & Buster's store openings compared to the same time period of the previous year and to a lesser extent, due to the addition of pre-opening costs related to Main Event stores.

[Table of Contents](#)

Interest expense, net and loss on debt refinancing

Interest expense, net increased by \$3,390 to \$17,118 in the second quarter of fiscal 2022 compared to \$13,728 in the second quarter of fiscal 2021 due primarily to an increase in average outstanding debt. The Company recorded a loss of \$1,479 related to the June 29, 2022 debt refinancing, which is explained in Note 6 to the Consolidated Financial Statements.

Provision for income taxes

The effective tax rate for the second quarter of fiscal 2022 was 23.2%, compared to 19.4% for the second quarter of fiscal 2021. The previous quarter tax provision includes higher excess tax benefits associated with share-based compensation and credits associated with the reversal of certain tax valuation allowances.

Twenty-six Weeks Ended July 31, 2022 Compared to Twenty-six Weeks Ended August 1, 2021

Results of operations. The following table sets forth selected data, in thousands of dollars and as a percentage of total revenues (unless otherwise noted) for the periods indicated. All information is derived from the accompanying unaudited consolidated statements of comprehensive income.

| | Twenty-Six Weeks Ended July 31, 2022 | | Twenty-Six Weeks Ended August 1, 2021 | |
|---|--|-------|---|--------|
| Food and beverage revenues | \$308,907 | 33.6% | \$208,764 | 32.5% |
| Amusement and other revenues | 610,553 | 66.4 | 434,214 | 67.5 |
| Total revenues | 919,460 | 100.0 | 642,978 | 100.0 |
| Cost of food and beverage (as a percentage of food and beverage revenues) | 89,716 | 29.0 | 56,284 | 27.0 |
| Cost of amusement and other (as a percentage of amusement and other revenues) | 55,841 | 9.1 | 41,198 | 9.5 |
| Total cost of products | 145,557 | 15.8 | 97,482 | 15.2 |
| Operating payroll and benefits | 207,035 | 22.5 | 130,902 | 20.4 |
| Other store operating expenses | 266,865 | 29.0 | 189,561 | 29.4 |
| General and administrative expenses | 66,007 | 7.2 | 35,561 | 5.5 |
| Depreciation and amortization expense | 71,902 | 7.8 | 69,974 | 10.9 |
| Pre-opening costs | 6,910 | 0.8 | 3,335 | 0.5 |
| Total operating costs | 764,276 | 83.1 | 526,815 | 81.9 |
| Operating income | 155,184 | 16.9 | 116,163 | 18.1 |
| Interest expense, net | 28,509 | 3.1 | 28,548 | 4.5 |
| Loss on debt refinancing | 1,479 | 0.2 | — | — |
| Income before provision for income taxes | 125,196 | 13.6 | 87,615 | 13.6 |
| Provision for income taxes | 29,124 | 3.2 | 15,210 | 2.3 |
| Net income | \$ 96,072 | 10.4% | \$ 72,405 | 11.3% |
| Change in comparable store sales (1) | | 32.2% | | 199.1% |
| Comparable stores at end of period (1) | | 113 | | 114 |
| Company-owned stores at end of period (1) | | 200 | | 142 |

- (1) Our comparable store count as of the end of the second quarter of fiscal 2022 excludes a store in Cary, North Carolina, which was closed and relocated during the fourth quarter of fiscal 2021. Company-owned stores as of July 31, 2022, includes 52 Main Event stores, which were acquired on June 29, 2022. These stores are not considered comparable stores.

[Table of Contents](#)

Reconciliations of Non-GAAP Financial Measures

Adjusted EBITDA

The following table reconciles (in dollars and as a percent of total revenues) Net income to Adjusted EBITDA for the periods indicated:

| | Twenty-Six Weeks Ended July 31, 2022 | | Twenty-Six Weeks Ended August 1, 2021 | |
|---------------------------------------|--|-------|---|-------|
| Net income | \$ 96,072 | 10.4% | \$ 72,405 | 11.3% |
| Interest expense, net | 28,509 | | 28,548 | |
| Loss on debt refinancing | 1,479 | | | |
| Provision for income taxes | 29,124 | | 15,210 | |
| Depreciation and amortization expense | 71,902 | | 69,974 | |
| EBITDA | 227,086 | 24.7% | 186,137 | 28.9% |
| Loss on asset disposal | 370 | | 257 | |
| Impairment of long-lived assets | 1,841 | | — | |
| Share-based compensation | 8,253 | | 6,158 | |
| Pre-opening costs | 6,910 | | 3,335 | |
| Other costs (1) | 18,337 | | (30) | |
| Adjusted EBITDA | <u>\$262,797</u> | 28.6% | <u>\$195,857</u> | 30.5% |

- (1) Primarily represents \$12,200 in costs related to the acquisition of Main Event. Refer to Note 2 of the Unaudited Consolidated Financial Statements for more information.

Store Operating Income Before Depreciation and Amortization

The following table reconciles (in dollars and as a percent of total revenues) Operating income to Store Operating Income Before Depreciation and Amortization for the periods indicated:

| | Twenty-Six Weeks Ended July 31, 2022 | | Twenty-Six Weeks Ended August 1, 2021 | |
|---|--|-------|---|-------|
| Operating income | \$ 155,184 | 16.9% | \$ 116,163 | 18.1% |
| General and administrative expenses | 66,007 | | 35,561 | |
| Depreciation and amortization expense | 71,902 | | 69,974 | |
| Pre-opening costs | 6,910 | | 3,335 | |
| Store Operating Income Before Depreciation and Amortization | <u>\$300,003</u> | 32.6% | <u>\$225,033</u> | 35.0% |

Capital Additions

The table below reflects accrual-based capital additions. Capital additions do not include any reductions for Payments from landlords.

| | Twenty-Six Weeks Ended July 31, 2022 | Twenty-Six Weeks Ended August 1, 2021 |
|-------------------------------------|--|---|
| New store and operating initiatives | \$ 72,147 | \$ 19,756 |
| Games | 19,338 | 12,614 |
| Maintenance capital | 13,573 | 8,290 |
| Total capital additions | <u>\$ 105,058</u> | <u>\$ 40,660</u> |
| Payments from landlords | <u>\$ 7,928</u> | <u>\$ 2,085</u> |

[Table of Contents](#)

Results of Operations

Revenues

On June 29, 2022, the Company completed the Main Event Acquisition, acquiring 49 Main Event and 3 The Summit stores.

Selected revenue and store data for the periods indicated are as follows:

| | Twenty-Six Weeks Ended | | |
|---|------------------------|----------------|-----------|
| | July 31, 2022 | August 1, 2021 | Change |
| Total revenues | \$ 919,460 | \$ 642,978 | \$276,482 |
| Total store operating weeks | 4,047 | 3,450 | 597 |
| Comparable store revenues | \$ 702,444 | \$ 531,412 | \$171,032 |
| Comparable store operating weeks | 2,938 | 2,735 | 203 |
| Noncomparable store revenues—Dave & Buster's | \$ 173,873 | 127,662 | \$ 46,211 |
| Noncomparable store operating weeks—Dave & Buster's | 849 | 715 | 134 |
| Noncomparable store revenues—Main Event | \$ 51,405 | — | \$ 51,405 |
| Noncomparable store operating weeks—Main Event | 260 | — | 260 |
| Other revenues and deferrals—Dave & Buster's | \$ (8,262) | \$ (16,096) | \$ 7,834 |

Total revenues increased \$276,482, or 43.0%, to \$919,460 in the twenty-six weeks ended July 31, 2022, compared to total revenues of \$642,978 in the twenty-six weeks ended August 1, 2021. The increase in revenue is attributable to \$51,405 in revenue from our Main Event stores, an additional 134 new Dave & Buster's store operating weeks, and a 32.2% increase in comparable store sales, due in part to a 7.4% increase in store operating weeks compared to the same period of the previous year, when some of our stores remained temporarily closed as a result of the COVID-19 pandemic, and the removal of local COVID-19 related operating restrictions on re-opened stores. Revenues during the twenty-six weeks ended July 31, 2022, were also favorably impacted by an increase in our special events business, which experienced delayed recovery from the impacts of the COVID-19 pandemic. The table below represents our revenue mix for the fiscal periods indicated. The shift in mix from amusement sales to food and beverage sales of 110 basis points is due, in part, to increased special events, beverage price increases during the second quarter of fiscal 2022, and food price increases effective midway through the third quarter of fiscal 2021.

| | Twenty-Six Weeks Ended | |
|-----------------|------------------------|----------------|
| | July 31, 2022 | August 1, 2021 |
| Food sales | 22.9% | 22.3% |
| Beverage sales | 10.7% | 10.2% |
| Amusement sales | 65.8% | 67.3% |
| Other | 0.6% | 0.2% |

Comparable store revenue increased \$171,032 or 32.2%, in the twenty-six weeks ended July 31, 2022, compared to the comparable period of fiscal 2021, due to the reasons noted above, including a 7.4% increase in comparable store operating weeks. Comparable store sales in the twenty-six weeks ended July 31, 2022, increased 10.2% compared to the comparable period of fiscal 2019.

Food sales at comparable stores increased by \$45,678, or 39.3%, to \$161,860 in the twenty-six weeks ended July 31, 2022, from \$116,182 in the comparable period of fiscal 2021. Beverage sales at comparable stores increased by \$22,946, or 42.4%, to \$77,053 in the twenty-six weeks ended July 31, 2022, from \$54,107 in the 2021 comparison period. Comparable store amusement and other revenues in the twenty-six weeks ended July 31, 2022, increased by \$102,408, or 28.4%, to \$463,531 from \$361,123 in the comparable period of fiscal 2021.

Non-comparable store revenue increased \$46,211 in the twenty-six weeks ended July 31, 2022, compared to the comparable period of fiscal 2021, for the same reasons noted above, including 134 more store operating weeks.

Cost of products

[Table of Contents](#)

The total cost of products was \$145,557 for the twenty-six weeks ended July 31, 2022, and \$97,482 for the comparable period of fiscal 2021. The total cost of products as a percentage of total revenues increased 60 basis points to 15.8% for the twenty-six weeks ended July 31, 2022, compared to 15.2% for the comparable period of fiscal 2021.

Cost of food and beverage products increased to \$89,716 compared to \$56,284 for the comparable period of fiscal 2021. Cost of food and beverage products, as a percentage of food and beverage revenues, increased 200 basis points to 29.0% for the twenty-six weeks ended July 31, 2022, from 27.0% for the comparable period of fiscal 2021. The unfavorable impacts of commodity cost increases, primarily in meat and dairy products, during the first twenty-six weeks of fiscal 2022 were partially offset by food and beverage price increases.

Cost of amusement and other increased to \$55,841 in the twenty-six weeks ended July 31, 2022, compared to \$41,198 in the comparable period of fiscal 2021. The costs of amusement and other, as a percentage of amusement and other revenues, decreased 40 basis points to 9.1% for the twenty-six weeks ended July 31, 2022, from 9.5% in the comparable period of fiscal 2021. This decrease was driven primarily by a change in prices at the game level implemented late in fiscal 2021.

Operating payroll and benefits

Total operating payroll and benefits increased by \$76,133, or 58.2%, to \$207,035 in the twenty-six weeks ended July 31, 2022, compared to \$130,902 in the comparable period of fiscal 2021. The total cost of operating payroll and benefits as a percentage of total revenues was 22.5% in the twenty-six weeks ended July 31, 2022, compared to 20.4% in the comparable period of fiscal 2021. This increase is primarily due to an hourly wage rate increase and an increase in labor hours worked as open positions were filled, partially offset by lower incentive compensation costs as fiscal 2021 included referral and retention incentives.

Other store operating expenses

Other store operating expenses increased by \$77,304, or 40.8%, to \$266,865 in the twenty-six weeks ended July 31, 2022, compared to \$189,561 in the comparable period of fiscal 2021. The increase is primarily due to the impact of increased store weeks during the first half of fiscal 2022 on costs such as utilities, supplies, maintenance, and other services as well as higher marketing spend associated with the “*Summer in the Great Indoors*” campaign. Other store operating expense as a percentage of total revenues decreased to 29.0% in the twenty-six weeks ended July 31, 2022, compared to 29.4% in the comparable period of fiscal 2021. This decrease was due primarily to favorable sales leverage, partially offset by higher marketing spend.

General and administrative expenses

General and administrative expenses increased by \$30,446, or 85.6%, to \$66,007 in the twenty-six weeks ended July 31, 2022, compared to \$35,561 in the comparable period of fiscal 2021. The increase in general and administrative expenses was driven primarily by \$18,270 of transaction and integration costs related to the Main Event Acquisition, \$1,841 impairment of the existing Main Event corporate office right-of-use operating lease asset, an increase in share-based compensation expense, and higher payroll and incentive compensation expense. General and administrative expenses, as a percentage of total revenues increased to 7.2% in the twenty-six weeks ended July 31, 2022 compared to 5.5% in the comparable period of fiscal 2021 due to the reasons noted above.

Depreciation and amortization expense

Depreciation and amortization expense was increased slightly to \$71,902 in the twenty-six weeks ended July 31, 2022, compared to \$69,974 in the comparable period of fiscal 2021, primarily due to the addition of the Main Event. Incremental depreciation for Main Event was partially offset by a net decrease in depreciation expense at Dave & Buster’s stores as the impact of assets reaching the end of their depreciable lives exceeded expense increases due to recent capital expenditures for new stores, operating initiatives, games, and maintenance capital.

Pre-opening costs

Pre-opening costs increased by \$3,575 to \$6,910 in the twenty-six weeks ended July 31, 2022, compared to \$3,335 in the comparable period of fiscal 2021 due primarily to an increase in the number of new Dave & Buster’s store openings compared to the same time period of the previous year.

Interest expense, net and loss on debt refinancing

Interest expense, net decreased by \$39 to \$28,509 in the twenty-six weeks ended July 31, 2022 compared to \$28,548 in the comparable period of fiscal 2021. In connection with the June 29, 2022 debt refinancing, the Company recorded a loss of \$1,479, which is explained in Note 6 to the Consolidated Financial Statements.

Provision for income taxes

The effective tax rate for the twenty-six weeks ended July 31, 2022 was 23.3%, compared to 17.4% for the comparable period of fiscal 2021. The previous year tax provision includes higher excess tax benefits associated with share-based compensation and credits associated with the reversal of certain tax valuation allowances.

Liquidity and Capital Resources

Debt

In connection with the closing of the Main Event Acquisition on June 29, 2022, D&B Inc entered into a senior secured credit agreement, which refinanced the \$500,000 existing revolving facility, extended the maturity date to June 29, 2027, and added a new term loan facility in the aggregate principal amount of \$850,000, with a maturity date of June 29, 2029 (“Credit Facility”). The proceeds of the term loan, net of an original issue discount of \$42,500, were used to pay the consideration for the Acquisition. The revolving credit facility can expire before the stated maturity date if the aggregate outstanding principal amount of the Notes exceeds \$100,000 ninety-one days prior to November 1, 2025. A portion of the revolving facility not to exceed \$35,000 is available for the issuance of letters of credit. At the end of the second quarter of fiscal 2022, we had letters of credit outstanding of \$8,605 and an unused commitment balance of \$491,395 under the revolving facility. The Credit Facility may be increased through incremental facilities, by an amount equal to the greater of (i) \$400,000 and (ii) 0.75 times trailing twelve-month Adjusted EBITDA, as defined, plus additional amounts subject to compliance with applicable leverage ratio and/or interest coverage ratio requirements. The Credit Facility is unconditionally guaranteed by D&B Holdings and certain of D&B Inc’s existing and future wholly owned material domestic subsidiaries.

The interest rates per annum applicable to SOFR term loans are based on a defined SOFR rate (with a floor of 0.50%) plus an additional credit spread adjustment of 0.10%, plus a margin of 5.00%. The interest rates per annum applicable to SOFR revolving loans are based on the term loan SOFR rate, plus an additional credit spread adjustment of 0.10%, plus an initial margin of 4.75%. Unused commitments under the revolving facility incur initial commitment fees of 0.50%. After the Company’s third quarter of fiscal 2022, the margin for SOFR revolving loans are subject to a pricing grid based on net total leverage, ranging from 4.25% to 4.75%, and commitment fees are subject to a pricing grid based on net total leverage, ranging from 0.30% to 0.50%.

During fiscal 2020, the Company issued \$550,000 aggregate principal amount of 7.625% senior secured notes (the “Notes”). Interest on the Notes is payable in arrears on November 1 and May 1 of each year. The Notes mature on November 1, 2025, unless earlier redeemed, and are subject to the terms and conditions set forth in the related indenture. The Notes were issued by D&B Inc and are unconditionally guaranteed by D&B Holdings and certain of D&B Inc’s existing and future wholly owned material domestic subsidiaries. During fiscal 2021, the Company redeemed a total of \$110,000 outstanding principal amount of the Notes, and paid prepayment premiums of \$3,300, plus accrued and unpaid interest to the date of redemptions. The early redemptions of the Notes resulted in a loss on extinguishment of approximately \$2,300 related to a proportional amount of unamortized issuance costs. Beginning October 27, 2022, the Company may elect to further redeem the Notes, in whole or in part, at certain specified redemption prices, plus accrued and unpaid interest, at the redemption date.

Amortization of debt issuance costs and original issue discount was \$1,636 and \$2,595 for the thirteen and twenty-six weeks ended July 31, 2022, and \$1,103 and \$2,205 for the thirteen and twenty-six weeks ended August 1, 2021, respectively, and is included in “Interest expense, net” in the Consolidated Statements of Comprehensive Income. For the twenty-six weeks ended July 31, 2022, and August 1, 2021, respectively, the Company’s weighted average effective interest rate on our total debt facilities (before capitalized interest amounts) was 10.08% and 10.17%, respectively. During the second quarter of fiscal 2022, the Company recognized a loss of \$1,479, related to the write off of unamortized debt issuance costs associated with exiting creditors of the refinanced revolving facility.

Our debt agreements contain restrictive covenants that, among other things, place certain limitations on our ability to incur additional indebtedness, make loans or advances to subsidiaries and other entities, pay dividends, acquire other businesses or sell assets. The Credit Facility also requires the Company to maintain a maximum net total leverage ratio, as defined, as of the end of each fiscal quarter, beginning with the first full fiscal quarter after the Closing Date.

Dividends and Share Repurchases

[Table of Contents](#)

On December 6, 2021, our Board of Directors approved a share repurchase program with an authorization limit of \$100,000, expiring at the end of fiscal 2022. During the second quarter of fiscal 2022, the Company repurchased 764,988 shares at an average cost of \$32.70 per share. The approximate dollar value of shares that may be repurchased under the plan as of July 31, 2022, is \$74,985. There were no dividends declared during the first or second quarter of 2022. Future decisions to pay cash dividends or repurchase shares continue to be at the discretion of the Board of Directors and will be dependent on our operating performance, financial condition, capital expenditure requirements and other factors that the Board of Directors considers relevant.

Cash and Cash Equivalents

As of July 31, 2022, the Company had cash and cash equivalents of \$100,386. The Company can operate with a working capital deficit because cash from sales is usually received before related liabilities for product supplies, labor and services become due. Our operations do not require significant inventory or receivables and we continually invest in our business through the growth of stores and operating improvement additions, which are reflected as noncurrent assets and not a part of working capital. Based on our current business plan, we believe our cash and cash equivalents combined with expected cash flows from operations, available borrowings under our revolving credit facility and expected payments from landlords should be sufficient not only for our operating requirements but also to enable us, in the aggregate, to finance our capital allocation strategy, including capital expenditures, through at least the next twelve months.

A comparison of our cash flow activity for the first and second quarters of fiscal 2022 to the same period of fiscal 2021 follows.

Operating Activities — Cash flow from operations typically provides us with a significant source of liquidity. Our operating cash flows result primarily from cash received from our customers, offset by cash payments we make for products and services, employee compensation, operations, and occupancy costs. Cash from operating activities is also subject to changes in working capital. Working capital at any specific point in time is subject to many variables, including seasonality, the timing of cash receipts and payments, and vendor payment terms. Cash flow from operating activities increased approximately \$35,000 in the twenty-six weeks ended July 31, 2022 compared to the twenty-six weeks ended August 1, 2021 driven primarily by approximately 337 more store weeks for Dave & Busters, 260 store weeks for Main Event, and the receipt of a federal tax refund in the amount of approximately \$33,200. These increases in cash flow from operating activities were offset by the payment of acquisition and integration costs of \$18,270.

Investing Activities — Cash flow from investing activities primarily reflects the Main Event Acquisition for cash consideration of approximately \$823,000, which is net of cash acquired of approximately \$34,000. Below is a summary of capital expenditures for the comparable twenty-six week period in fiscal 2022 and fiscal 2021.

During the twenty-six weeks ended July 31, 2022, the Company spent approximately \$65,900 for new store construction and operating improvement initiatives (\$58,000 net of payments from landlords), \$17,000 for game refreshment and \$17,000 for maintenance capital.

During the twenty-six weeks ended August 1, 2021, the Company spent approximately \$18,900 for new store construction and operating improvement initiatives (\$16,800 net of payments from landlords), \$11,000 for game refreshment and \$8,000 for maintenance capital.

Financing Activities — During the second quarter of fiscal 2022, the Company entered into a new credit facility agreement, with term loan net proceeds of \$807,500. The proceeds were used to pay for the Acquisition, including \$17,748 of debt issuance costs associated with the refinancing. The Company also repurchased shares at a cost of \$25,015 during the second quarter. During the first quarter of fiscal 2021, the Company had net repayments of \$60,000 of its revolving credit facility.

Contractual Obligations and Commitments

There have been no material changes outside the ordinary course of business to our contractual obligations since January 30, 2022, as reported on Form 10-K filed with the SEC on March 29, 2022.

Accounting policies and estimates

The preparation of financial statements in conformity with GAAP requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and disclosures of contingent assets and liabilities. These estimates and assumptions affect amounts of assets, liabilities, revenues and expenses and the disclosure of gain and loss contingencies at the date of the consolidated financial statements. Our current estimates are subject to change if different assumptions as to the outcome of future

[Table of Contents](#)

events were made. We evaluate our estimates and judgments on an ongoing basis, and we adjust our assumptions and judgments when facts and circumstances dictate. Since future events and their effects cannot be determined with absolute certainty, actual results may differ from the estimates we used in preparing the accompanying consolidated financial statements. In addition to the critical accounting policies and estimates previously disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 2022, due to recent transactions and events, we also consider the following to be part of our critical accounting policies and estimates due to the high degree of judgment and complexity in its application.

Business combinations—The Main Event Acquisition was accounted for using the acquisition method of accounting, or acquisition accounting, in accordance with ASC Topic 805, Business Combinations. The acquisition method of accounting involved the allocation of the purchase price to the assets acquired and liabilities assumed based on preliminary estimated fair values as of the date of the acquisition. The determination of the fair value of tangible and intangible assets, which represent a significant portion of the purchase price, requires the use of significant judgment with regard to (i) the fair value and (ii) whether such acquired intangibles are amortizable or non-amortizable and, if the former, the period and the method by which the intangible asset will be amortized. The Company estimates the fair value of acquisition-related tangible and intangible assets principally based on Replacement Cost New and the Relief from Royalty methods, which include estimates of projected future EBITDA, long-term growth rate, discount rate and royalty rate. The projected cash flows are discounted to determine the present value of the assets at the dates of acquisition. Refer to Note 2 to the Unaudited Consolidated Financial Statements for additional information about our recent business combination.

Recent accounting pronouncements

Refer to Note 1 to the Unaudited Consolidated Financial Statements for information regarding new accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Commodity Price Risk

We are exposed to market price fluctuation in food, beverage, supplies and other costs such as energy. Given the historical volatility of certain of our food product prices, including proteins, seafood, produce, dairy products, and cooking oil, these fluctuations can materially impact our food costs. While our purchasing commitments partially mitigate the risk of such fluctuations, there is no assurance that supply and demand factors such as disease or inclement weather will not cause the prices of the commodities used in our restaurant operations to fluctuate. Additionally, the cost of purchased materials may be influenced by tariffs and other trade regulations which are outside of our control. To the extent that we do not pass along cost increases to our customers, our results of operations may be adversely affected.

Interest Rate Risk

In the second quarter of fiscal 2022, the Company elected SOFR as the alternative base rate for outstanding borrowings on the Credit Facility, which is based on variable rates. As of July 31, 2022, there was no balance outstanding on our revolving facility, and an outstanding balance of \$850,000 on the term loan facility.

Inflation

Severe increases in inflation could affect the United States or global economies and have an adverse impact on our business, financial condition and results of operation. If several of the various costs in our business experience inflation at the same time, such as commodity price increases beyond our ability to control and increased labor costs, we may not be able to adjust prices to sufficiently offset the effect of the various cost increases without negatively impacting consumer demand.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Rules 13a-15 and 15d-15 promulgated under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective. As discussed in Note 2 to our Unaudited Consolidated Financial Statements set forth in Part 1 of this report, we acquired Main Event on June 29, 2022. Main Event constitutes approximately 34.3% of total assets and approximately 5.6% of total revenues of the consolidated financial statement amounts as of and for the twenty-six weeks ended July 31, 2022. As the Main Event Acquisition occurred in the second quarter of 2022 and they were not previously governed by the Exchange Act Rules 13a-15(f) and 15d-15(f), we excluded Main Event's internal control over financial reporting from our assessment of the effectiveness of disclosure controls and procedures. This exclusion is in accordance with the general guidance issued by the Staff of the SEC that an assessment of a recently acquired business may be omitted from our scope in the year of acquisition.

Changes in Internal Control Over Financial Reporting

Except as described above, there were no changes to our internal control over financial reporting practices or processes that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting during our second quarter ended July 31, 2022. The Main Event Acquisition had a material impact on internal control over financial reporting. The Company intends to take a period of time to incorporate the impact of the transaction into its evaluation of internal control over financial reporting. As such, we will exclude the internal control over financial reporting of Main Event from our evaluation of internal control over financial reporting for the year ending January 29, 2023.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Information regarding legal proceedings is incorporated by reference from Note 7 to our Unaudited Consolidated Financial Statements set forth in Part I of this report.

Item 1A. Risk Factors

The Company is supplementing the Risk Factors previously disclosed in Item 1A of the Annual Report on Form 10-K for the fiscal year ended January 30, 2022, (the “Annual Report”). The following Risk Factor should be read in conjunction with the Risk Factors disclosed in the Annual Report.

We may acquire a business in the future that we fail to effectively integrate or operate.

We recently acquired a business as part of our expansion effort and may acquire more businesses in the future. Once an acquisition is finalized, we may not be successful in integrating the business into our existing operations, which may result in unforeseen operational difficulties, diminished financial performance or our inability to report financial results and may require a disproportionate amount of our management’s attention. If we fail to manage our recent or future acquisitions effectively, our results of operations could be adversely affected.

Our recent acquisition and any future acquisitions will be accompanied by the risks commonly encountered in acquisitions, including:

- incorrect assumptions regarding the future results of acquired operations or assets or expected cost reductions or other synergies expected to be realized from acquiring operations or assets;
- failure to integrate the operations or management of any acquired operations or assets successfully and timely;
- potential loss of key employees and customers of the acquired companies;
- potential lack of experience operating in a geographic market or product line of the acquired business;
- an increase in our expenses, particularly overhead expenses, and working capital requirements;
- the possible inability to achieve the intended objectives of the business combination; and
- the diversion of management’s attention from existing operations or other priorities.

Covenants in our debt agreements restrict our business and could limit our ability to implement our business plan.

The credit facility and the indenture governing the senior secured notes contain covenants that may restrict our ability to implement our business plan, finance future operations, respond to changing business and economic conditions, secure additional financing, and engage in opportunistic transactions, such as strategic acquisitions. In addition, if we fail to satisfy the covenants contained in the credit facility, our ability to borrow under the revolving credit loans portion of the credit facility may be restricted. The credit facility and the indenture governing the senior secured notes include covenants restricting, among other things, our ability to do the following under certain circumstances:

- incur or guarantee additional indebtedness or issue certain disqualified or preferred stock;
- pay dividends or make other distributions on, or redeem or purchase any equity interests or make other restricted payments;
- make certain acquisitions or investments;
- create or incur liens;
- transfer or sell assets;
- incur restrictions on the payment of dividends or other distributions from our restricted subsidiaries;
- alter the business that we conduct;

Table of Contents

- enter into transactions with affiliates; and
- consummate a merger or consolidation or sell, assign, transfer, lease or otherwise dispose of all or substantially all our assets.

The credit facility also requires us and our restricted subsidiaries to maintain a maximum net total leverage ratio of 3.50:1.00 as of the end of each fiscal quarter, solely to the extent 35% of the credit facility (other than \$30 million of undrawn letters of credit and any letters of credit that have been cash collateralized) is drawn on such date.

Events beyond our control, including the impact of COVID-19, may affect our ability to comply with our covenants. If we default under the credit facility or the indenture governing the senior secured notes, because of a covenant breach or otherwise, all outstanding amounts thereunder could become immediately due and payable. We cannot assure that we will be able to comply with our covenants under the credit facility, or the indenture governing the senior secured notes or that any covenant violations will be waived in the future. Any violation that is not waived could result in an event of default, permitting our lenders to declare outstanding indebtedness and interest thereon due and payable, and permitting the lenders under the revolving credit loans provided under the credit facility to suspend commitments to make any advance, or require any outstanding letters of credit to be collateralized by an interest bearing cash account, any or all of which could have a material adverse effect on our business, financial condition and results of operations. In addition, if we fail to comply with our financial or other covenants under the credit facility or the indenture governing the senior secured notes, we may need additional financing to service or extinguish our indebtedness. We may not be able to obtain financing or refinancing on commercially reasonable terms, or at all. We cannot assure that we would have sufficient funds to repay outstanding amounts under the credit facility or the indenture governing the senior secured notes and any acceleration of amounts due would have a material adverse effect on our liquidity and financial condition.

[Table of Contents](#)

Item 2. Unregistered Sales of Equity Securities

Information regarding repurchase of our common stock, in thousands, except share amounts, during the thirteen weeks ended July 31, 2022:

| <u>Period (1)</u> | <u>Total Number of Shares Repurchased</u> | <u>Average Price Paid per Share</u> | <u>Total Number of Shares Repurchased as Part of Publicly Announced Plan (2)</u> | <u>Approximate Dollar Value of Shares That May Yet Be Repurchased Under the Plan (3)</u> |
|------------------------|---|-------------------------------------|--|--|
| May 2 – May 29, 2022 | — | \$ — | — | \$ 100,000 |
| May 30 – July 3, 2022 | — | \$ — | — | \$ 100,000 |
| July 4 – July 31, 2022 | 764,988 | \$ 32.70 | 764,988 | \$ 74,985 |

- (1) Monthly information is presented by reference to our fiscal periods during the thirteen weeks ended July 31, 2022.
- (2) Our Board of Directors approved a share repurchase program, under which the Company may repurchase shares on the open market, through privately negotiated transactions, and through trading plans designed to comply with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended. The share repurchase program may be modified, suspended or discontinued at any time.
- (3) Based on total share repurchase authorization in effect on July 31, 2022.

Table of Contents

| Item 6. | Exhibits |
|-----------------------|---|
| Exhibit Number | Description |
| 10.1* | Form of Nonqualified Stock Option Award Agreement by and between Christopher Morris and Dave & Buster's Entertainment, Inc. |
| 10.2* | Form of Nonqualified Stock Option Award Agreement by and between Christopher Morris and Dave & Buster's Entertainment, Inc. |
| 10.3* | Form of Restricted Stock Unit Award Agreement by and between Christopher Morris and Dave & Buster's Entertainment, Inc. |
| 10.4* | Form of Restricted Stock Unit Award Agreement by and between Christopher Morris and Dave & Buster's Entertainment, Inc. |
| 10.5* | Form of Restricted Stock Unit Award Agreement by and between Christopher Morris and Dave & Buster's Entertainment, Inc. |
| 31.1* | Certification of Christopher Morris, Chief Executive Officer of the Registrant, pursuant to 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a). |
| 31.2* | Certification of Michael A. Quartieri, Chief Financial Officer of the Registrant, pursuant to 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a). |
| 32.1* | Certification of Christopher Morris, Chief Executive Officer of the Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2* | Certification of Michael A. Quartieri, Chief Financial Officer of the Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | XBRL Inline Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document |
| 101.SCH | XBRL Inline Taxonomy Extension Schema Document |
| 101.CAL | XBRL Inline Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | XBRL Inline Taxonomy Extension Definition Linkbase Document |
| 101.LAB | XBRL Inline Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Inline Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101). |

* Filed herein

[Table of Contents](#)

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DAVE & BUSTER'S ENTERTAINMENT, INC.,
a Delaware corporation

Date: September 7, 2022

By: /s/ Christopher Morris
Christopher Morris
Chief Executive Officer

Date: September 7, 2022

By: /s/ Michael A. Quartieri
Michael A. Quartieri
Chief Financial Officer

Dave & Buster's Entertainment, Inc.
2014 Omnibus Incentive Plan

NONQUALIFIED STOCK OPTION AWARD AGREEMENT

(EMPLOYEE FORM)

THIS NONQUALIFIED STOCK OPTION AWARD AGREEMENT (this "**Award Agreement**") is made effective as of June 29, 2022 (the "**Date of Grant**"), between Dave & Buster's Entertainment, Inc., a Delaware corporation (the "**Company**") and Christopher Morris (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted the Dave & Buster's Entertainment, Inc. 2014 Omnibus Incentive Plan (the "**Plan**"); and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant the option provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of the Option. The Company hereby grants to the Participant the right and option (the "**Option**") to purchase, on the terms and conditions hereinafter set forth, all or any part of an aggregate of 98,706 Shares as of the Date of Grant. The Option is intended to be a Nonqualified Stock Option.
2. Option Price. The purchase price of the Shares subject to the Option is \$33.77 per Share (the "**Option Price**").
3. Option Term. The term of the Option shall be ten (10) years, commencing on the Date of Grant (the "**Option Term**"). The Option shall automatically terminate upon the expiration of the Option Term, or at such earlier time specified herein or in the Plan.
4. Vesting of the Option. Subject to the Participant's continued Service with the Company through the applicable vesting date, Section 5 of this Award Agreement and the terms of the Plan, the Option shall vest in equal installments on each of the first five (5) anniversaries of the Date of Grant, such that one-fifth (1/5th) of the Option vests on each such anniversary (each, a "**Vesting Date**").
5. Termination of Service.
 - (a) Termination of Service for Cause. Upon a termination of the Participant's Service by the Company for Cause the Option, including any vested portion, shall

immediately terminate and be forfeited without consideration. For purposes of this Award Agreement, “Cause” means (i) “Cause” as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Cause: the willful and continued failure by the Participant to perform the duties assigned by the Company, failure to follow reasonable business-related directions from the Company, gross insubordination, theft from the Company or its Affiliates, habitual absenteeism or tardiness, conviction or plea of guilty or *nolo contendere* to a felony, misdemeanor involving fraud, theft or moral turpitude, or any other reckless or willful misconduct that is contrary to the best interests of the Company or materially and adversely affects the reputation of the Company.

(b) Termination of Service due to death or Disability. Upon a termination of the Participant’s Service by reason of death or Disability, any unvested portion of the Option shall immediately become vested, and any vested portion shall remain exercisable until the earlier of (i) one (1) year following such termination of Service and (ii) the expiration of the Option Term. For purposes of this Award Agreement, “Disability” means (A) “Disability” as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (B) if there is no such employment agreement or if it does not define Disability: the Participant is disabled to the extent that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or is receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Dave & Buster’s Management Corporation, Inc. The determination of the Participant’s disability shall be made in good faith by a physician reasonably acceptable to the Company.

(c) Termination of Service due to Retirement. Upon a termination of the Participant’s Service by reason of Retirement, subject to the terms of the Plan, any unvested portion of the Option shall continue to vest on each remaining Vesting Date, and any vested portion shall remain exercisable until the expiration of the Option Term. For purposes of this Award Agreement, “Retirement” means (i) “Retirement” as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Retirement: termination of the Participant’s Service, other than for Cause, after attaining (A) age sixty (60) and completing ten (10) years of continued service (i.e., without any termination of Service) with the Company or its Affiliates or (B) age sixty-five (65).

(d) Termination without Cause or for Good Reason related to Change of Control. Upon (i) a termination of the Participant’s Service by the Company or one of its successors or Affiliates without Cause or due to the Participant’s resignation for Good Reason (excluding a termination by reason of death or Disability), in either case before the final Vesting Date (a “Specified Termination”), and (ii) the Specified Termination occurs on or within ninety (90) days before or twelve (12) months following the occurrence of a Change of Control of the Company, any unvested portion of the Option shall immediately vest, and any vested portion shall remain exercisable until the expiration of the Option Term; provided, that the foregoing shall not apply in the event that all Options issued and outstanding under the Plan are terminated in

connection with such Change of Control. For purposes of this Award Agreement, “**Good Reason**” means (i) “Good Reason” as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Good Reason: Without the Participant’s consent, (A) a material reduction in the Participant’s annual base salary or (B) a relocation of the Participant’s primary place of employment with the Company by more than fifty (50) miles from that in effect as of the Date of Grant; provided, however, that neither item (A) nor item (B) shall constitute Good Reason unless the Participant has provided written notice to the Company within thirty (30) days of the occurrence of such event and the Company shall have failed to cure such event within thirty (30) days of receipt of such written notice.

(e) Termination without Cause or for Good Reason. Upon a termination of the Participant’s Service by the Company without Cause or due to the Participant’s resignation for Good Reason (excluding a termination by reason of death or Disability) other than as provided in Section 5(d): (i) any portion of the Option that is vested as of the date of such termination of employment shall remain exercisable until the earlier of (A) ninety (90) days following such termination of Service and (B) the expiration of the Option Term; provided, that if a Change of Control should occur on or before the earlier of (A) and (B), then any portion of the Option that is vested as of the date of such termination of employment shall remain exercisable until the expiration of the Option Term; and (ii) any portion of the Option that is unvested as of such termination of employment shall remain outstanding but unexercisable until the earliest of (A) the date that is ninety (90) days following such termination of Service, at which time the unvested portion shall terminate and be forfeited, (B) the expiration of the Option Term, at which time the unvested portion shall terminate and be forfeited, and (C) the consummation of a Change of Control of the Company, at which time the unvested portion shall remain eligible for continued vesting in accordance with the terms of this Award notwithstanding such termination of employment (and to the extent the unvested portion would have vested pursuant to Section 4 hereof prior to the Change of Control if the Participant’s Service had not terminated, the unvested portion shall be deemed to have vested in accordance with and to the extent applicable to that vesting schedule).

(f) Other Terminations of Service. Upon a termination of the Participant’s Service for any reason, other than pursuant to Sections 5(a), 5(b), 5(c), 5(d) and 5(e) above, any unvested portion of the Option shall immediately terminate and be forfeited without consideration, and any vested portion of the Option shall remain exercisable until the earlier of (i) ninety (90) days following such termination of Service and (ii) the expiration of the Option Term.

6. Exercise Procedures.

(a) Notice of Exercise. To the extent exercisable, the Participant or the Participant’s representative may exercise any vested portion of the Option or any part thereof prior to the expiration of the Option Term or as otherwise set forth in Section 5 hereof by giving written notice to the Company in the form attached hereto as Exhibit A or any other form acceptable to the Committee or the Committee’s designated administrative representative (the “**Notice of Exercise**”). The Notice of Exercise shall be signed by the person exercising such Option or shall evidence the intent of the person exercising such Option if delivered in electronic format or with

an electronic signature. In the event that such Option is being exercised by the Participant's representative, the Notice of Exercise shall be accompanied by proof (satisfactory to the Company) of such representative's right to exercise such Option.

(b) Method of Exercise. The Participant or the Participant's representative shall deliver to the Company, at the time the Notice of Exercise is given, payment (i) in cash or its equivalent (e.g., by cashier's check), (ii) in Shares (whether or not previously owned by the Participant) having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee, (iii) partly in cash and partly in Shares (as described in clause (ii) above), (iv) if there is a public market for the Shares at such time, subject to such administrative requirements as may be imposed by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased or (v) to the extent permitted by the Committee, another form of payment permissible under Section 6.5 of the Plan for the full amount of the aggregate Option Price for the exercised Option.

(c) Issuance of Shares. Provided the Company receives a properly completed and executed Notice of Exercise and payment for the full amount of the aggregate Option Price and the Participant has made arrangements for appropriate withholding, the Company shall promptly cause the Shares underlying the exercised Option to be issued in the name of the Person exercising the applicable Option.

7. Non-Solicitation and Non-Hire. If the Participant has an employment agreement with the Company or any of its Subsidiaries that contains non-solicitation and/or non-hire covenants, the covenants are incorporated herein by reference. To the extent the Participant does not have an employment agreement containing such covenants, the following restrictive covenants shall apply:

As a material incentive for the Company to enter into this Award Agreement, during the term of the Participant's employment with the Company or any of its Subsidiaries and for a period of twelve (12) months from the termination of the Participant's employment for any reason (including, without limitation, resignation by the Participant) (the "Non-Solicitation and Non-Hire Period") the Participant shall not, directly or indirectly, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, induce or attempt to influence, induce, or encourage anyone who is or, within the six (6) months prior to the date of termination was, an employee of the Company or any of its Subsidiaries at or above the managerial level (including, without limitation, General Managers, Assistant General Managers, store departmental managers, and all higher-ranking managers) (for purposes of this Section 7, an "Employee"), client, supplier, vendor, licensee, distributor, contractor or other business relation of the Company or any of its Subsidiaries to cease doing business with, adversely alter or interfere with its business relationship with, the Company or any of its Subsidiaries. Further, during the Non-Solicitation and Non-Hire Period, the Participant shall not, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, (i) solicit or seek to hire any Employee, or in any other manner attempt directly or indirectly to influence, induce, or encourage any Employee to leave their employ (provided, however, that nothing herein shall

restrict the Participant from engaging in any general solicitation that is not specifically targeted at such persons), nor shall the Participant use or disclose to any person, partnership, entity, association, or corporation any information concerning the names, addresses or personal telephone numbers of any Employee, (ii) without the Company's prior written consent, hire, employ or engage as a consultant any Employee, or (iii) directly or indirectly solicit, induce, or attempt to influence, induce, or encourage any person, partnership, entity, association, or corporation that is a client or customer of the Company or its Subsidiaries and who or which the Participant helped to schedule or conduct a special event or corporate teambuilding while employed by the Company or its Subsidiaries to schedule or conduct a special event or corporate teambuilding through another person, partnership, entity, association, or corporation.

This Section 7 shall survive exercise, termination or settlement of the Option and termination or satisfaction of the Award Agreement.

8. No Right to Continued Service. The granting of the Option evidenced hereby and this Award Agreement shall impose no obligation on the Company or any Affiliate to continue the Service of the Participant and shall not lessen or affect any right that the Company or any Affiliate may have to terminate the Service of such Participant.

9. Securities Laws/Legend on Certificates. The issuance and delivery of Shares shall comply with all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. If the Company deems it necessary to ensure that the issuance of securities under the Plan is not required to be registered under any applicable securities laws, the Participant shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company which satisfies such requirements. The certificates representing the Shares shall be subject to such stop transfer orders and other restrictions as the Committee may deem reasonably advisable, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

10. Transferability. Unless otherwise provided by the Committee, the Option may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Option to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof. During the Participant's lifetime, the Option is exercisable only by the Participant (or, if the Participant is disabled, the Participant's representative).

11. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold any applicable withholding taxes in respect of the Option, its exercise or transfer and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes.

12. Notices. Any notification required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

13. Entire Agreement. This Award Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

14. Waiver. No waiver of any breach or condition of this Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

15. Successors and Assigns. The provisions of this Award Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Award Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

16. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Award Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Award Agreement shall be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of the Award Agreement to the substantive law of another jurisdiction. Each party to this Award Agreement agrees that it shall bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Award Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the "**Chosen Court**") and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action shall be effective if notice is given in accordance with this Award Agreement.

(b) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY CLAIM OR CAUSE OF ACTION (WHETHER IN CONTRACT, IN TORT, AT LAW OR OTHERWISE) INSTITUTED BY OR AGAINST SUCH PARTY IN RESPECT OF ITS, HIS OR HER OBLIGATIONS HEREUNDER.

17. Option Subject to Plan. By entering into this Award Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Option is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan.

18. No Guarantees Regarding Tax Treatment. The Participant shall be responsible for all taxes with respect to the Option. The Committee and the Company make no guarantees regarding the tax treatment of the Option.

19. Amendment. The Committee may amend or alter this Award Agreement and the Option granted hereunder at any time, subject to the terms of the Plan.

20. Signature in Counterparts. This Award Agreement may be signed in counterparts, manually or electronically, and each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

21. Electronic Signature and Delivery. This Award Agreement may be accepted by return signature or by electronic confirmation. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Award Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Agreement or any other document contemplated hereby bearing an original or electronic signature by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

22. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

[signature page follows]

D&B Employee – Christopher Morris
2022 Nonqualified Stock Option Award Agreement No 1
Page 7 of 10

IN WITNESS WHEREOF, the Company and the Participant have executed this Nonqualified Stock Option Award Agreement as of the date first set forth above.

PARTICIPANT

Christopher Morris

DAVE & BUSTER'S ENTERTAINMENT, INC.

By: _____
Robert W. Edmund
General Counsel, Secretary and SVP of HR

D&B Employee – Christopher Morris
2022 Nonqualified Stock Option Award Agreement No 1
Page 8 of 10

EXHIBIT A
Notice of Exercise

Dave & Buster's Entertainment, Inc.
1221 S. Belt Line Road #500
Coppell, Texas 75019
Attn: General Counsel

Date of Exercise: _____

Ladies & Gentlemen:

1. *Exercise of Option.* This constitutes notice to Dave & Buster's Entertainment, Inc. (the "Company") that pursuant to my Nonqualified Stock Option Award Agreement (the "Award Agreement") under the Company's 2014 Omnibus Incentive Plan (the "Plan") I elect to purchase the number of Shares of Company common stock set forth below and for the price set forth below. By signing and delivering this notice to the Company, I hereby acknowledge that I am the holder of the stock option (the "Option") exercised by this notice and have full power and authority to exercise the same. Any capitalized terms used but not defined herein shall have the meanings ascribed to them in the Award Agreement or the Plan, as applicable.

Date of Grant: _____

Number of Shares as to which the Option is exercised
("Optioned Shares"): _____

Shares to be issued in name of: _____

Total exercise price: \$ _____

Cash payment or other method of payment permitted under
Section 6(b) of the Award Agreement delivered herewith: \$ _____

Method: _____

2. *Form of Payment.* The Option may be exercised by delivery to the Company of payment (i) in cash or its equivalent (e.g., by cashier's check), (ii) in Shares (whether or not previously owned by the Person exercising the Option pursuant to this notice) having a Fair Market Value equal to the aggregate Option Price for the Shares being

purchased and satisfying such other requirements as may be imposed by the Committee, (iii) partly in cash and partly in Shares (as described in clause (ii) above), (iv) if there is a public market for the Shares at such time, subject to such administrative requirements as may be imposed by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased or (v) to the extent permitted by the Committee, another form of payment permissible under Section 6.5 of the Plan for the full amount of the aggregate Option Price for the exercised Option.

3. *Delivery of Payment.* With this notice, I hereby deliver to the Company the full exercise price of the Optioned Shares and any and all withholding taxes due in connection with the exercise of my Option or have otherwise satisfied such requirements.

4. *Rights as Stockholder.* While the Company will endeavor to process this notice in a timely manner, I acknowledge that until the issuance of the shares underlying the Optioned Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to such shares, notwithstanding the exercise of my option(s). No adjustment shall be made for a dividend or other right for which the record date is prior to the date of issuance of the optioned stock.

5. *Interpretation.* Any dispute regarding the interpretation of this notice shall be submitted promptly by me or by the Company to the Committee. The resolution of such a dispute by the Committee shall be final and binding on all parties.

6. *Governing Law; Severability.* This notice is governed by the internal substantive laws but not the choice of law rules, of Delaware. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this notice will continue in full force and effect without said provision.

7. *Entire Agreement.* The Plan and the Award Agreement under which the Optioned Shares were granted are incorporated herein by reference, and together with this notice constitute the entire agreement of the parties with respect to the subject matter hereof.

Very truly yours,

(social security number)

D&B Employee – Christopher Morris
2022 Nonqualified Stock Option Award Agreement No 1
Page 10 of 10

Dave & Buster's Entertainment, Inc.
2014 Omnibus Incentive Plan

NONQUALIFIED STOCK OPTION AWARD AGREEMENT

(EMPLOYEE FORM)

THIS NONQUALIFIED STOCK OPTION AWARD AGREEMENT (this "**Award Agreement**") is made effective as of June 29, 2022 (the "**Date of Grant**"), between Dave & Buster's Entertainment, Inc., a Delaware corporation (the "**Company**") and Christopher Morris (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted the Dave & Buster's Entertainment, Inc. 2014 Omnibus Incentive Plan (the "**Plan**"); and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant the option provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of the Option. The Company hereby grants to the Participant the right and option (the "**Option**") to purchase, on the terms and conditions hereinafter set forth, all or any part of an aggregate of 29,612 Shares as of the Date of Grant. The Option is intended to be a Nonqualified Stock Option.

2. Option Price. The purchase price of the Shares subject to the Option is \$33.77 per Share (the "**Option Price**").

3. Option Term. The term of the Option shall be ten (10) years, commencing on the Date of Grant (the "**Option Term**"). The Option shall automatically terminate upon the expiration of the Option Term, or at such earlier time specified herein or in the Plan.

4. Vesting of the Option. Subject to the Participant's continued Service with the Company through the applicable vesting date, the condition set forth in Subsection 4(a) below, Section 5 of this Award Agreement and the terms of the Plan, the Option shall vest in equal installments on each of the first five (5) anniversaries of the Date of Grant, such that one-fifth (1/5th) of the Option vests on each such anniversary (each, a "**Vesting Date**").

(a) Purchase Condition. Participant must purchase at least \$1,000,000 in Company Shares on the open market during the open trading window for Company insiders starting on the second business day following the Company's release of earnings for the second fiscal quarter for fiscal 2022 and continuing until the close of business on October 14, 2022. If

Participant is blacked out from trading during said trading window, then Participant shall make such purchase in the next available trading window in which he is not blacked out. If Participant fails to comply with this condition, the Option shall immediately terminate and be forfeited without consideration.

5. Termination of Service.

(a) Termination of Service for Cause. Upon a termination of the Participant's Service by the Company for Cause the Option, including any vested portion, shall immediately terminate and be forfeited without consideration. For purposes of this Award Agreement, "**Cause**" means (i) "Cause" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Cause: the willful and continued failure by the Participant to perform the duties assigned by the Company, failure to follow reasonable business-related directions from the Company, gross insubordination, theft from the Company or its Affiliates, habitual absenteeism or tardiness, conviction or plea of guilty or *nolo contendere* to a felony, misdemeanor involving fraud, theft or moral turpitude, or any other reckless or willful misconduct that is contrary to the best interests of the Company or materially and adversely affects the reputation of the Company.

(b) Termination of Service due to death or Disability. Upon a termination of the Participant's Service by reason of death or Disability, any unvested portion of the Option shall immediately become vested, and any vested portion shall remain exercisable until the earlier of (i) one (1) year following such termination of Service and (ii) the expiration of the Option Term. For purposes of this Award Agreement, "**Disability**" means (A) "Disability" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (B) if there is no such employment agreement or if it does not define Disability: the Participant is disabled to the extent that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or is receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Dave & Buster's Management Corporation, Inc. The determination of the Participant's disability shall be made in good faith by a physician reasonably acceptable to the Company.

(c) Termination of Service due to Retirement. Upon a termination of the Participant's Service by reason of Retirement, subject to the terms of the Plan, any unvested portion of the Option shall continue to vest on each remaining Vesting Date, and any vested portion shall remain exercisable until the expiration of the Option Term. For purposes of this Award Agreement, "**Retirement**" means (i) "Retirement" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Retirement: termination of the Participant's Service, other than for Cause, after attaining (A) age sixty (60) and completing ten (10) years of continued service (i.e., without any termination of Service) with the Company or its Affiliates or (B) age sixty-five (65).

(d) Termination without Cause or for Good Reason related to Change of Control. Upon (i) a termination of the Participant's Service by the Company or one of its successors or Affiliates without Cause or due to the Participant's resignation for Good Reason (excluding a termination by reason of death or Disability), in either case before the final Vesting Date (a "**Specified Termination**"), and (ii) the Specified Termination occurs on or within ninety (90) days before or twelve (12) months following the occurrence of a Change of Control of the Company, any unvested portion of the Option shall immediately vest, and any vested portion shall remain exercisable until the expiration of the Option Term; provided, that the foregoing shall not apply in the event that all Options issued and outstanding under the Plan are terminated in connection with such Change of Control. For purposes of this Award Agreement, "**Good Reason**" means (i) "Good Reason" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Good Reason: Without the Participant's consent, (A) a material reduction in the Participant's annual base salary or (B) a relocation of the Participant's primary place of employment with the Company by more than fifty (50) miles from that in effect as of the Date of Grant; provided, however, that neither item (A) nor item (B) shall constitute Good Reason unless the Participant has provided written notice to the Company within thirty (30) days of the occurrence of such event and the Company shall have failed to cure such event within thirty (30) days of receipt of such written notice.

(e) Termination without Cause or for Good Reason. Upon a termination of the Participant's Service by the Company without Cause or due to the Participant's resignation for Good Reason (excluding a termination by reason of death or Disability) other than as provided in Section 5(d): (i) any portion of the Option that is vested as of the date of such termination of employment shall remain exercisable until the earlier of (A) ninety (90) days following such termination of Service and (B) the expiration of the Option Term; provided, that if a Change of Control should occur on or before the earlier of (A) and (B), then any portion of the Option that is vested as of the date of such termination of employment shall remain exercisable until the expiration of the Option Term; and (ii) any portion of the Option that is unvested as of such termination of employment shall remain outstanding but unexercisable until the earliest of (A) the date that is ninety (90) days following such termination of Service, at which time the unvested portion shall terminate and be forfeited, (B) the expiration of the Option Term, at which time the unvested portion shall terminate and be forfeited, and (C) the consummation of a Change of Control of the Company, at which time the unvested portion shall remain eligible for continued vesting in accordance with the terms of this Award notwithstanding such termination of employment (and to the extent the unvested portion would have vested pursuant to Section 4 hereof prior to the Change of Control if the Participant's Service had not terminated, the unvested portion shall be deemed to have vested in accordance with and to the extent applicable to that vesting schedule).

(f) Other Terminations of Service. Upon a termination of the Participant's Service for any reason, other than pursuant to Sections 5(a), 5(b), 5(c), 5(d) and 5(e) above, any unvested portion of the Option shall immediately terminate and be forfeited without consideration, and any vested portion of the Option shall remain exercisable until the earlier of (i) ninety (90) days following such termination of Service and (ii) the expiration of the Option Term.

6. Exercise Procedures.

(a) Notice of Exercise. To the extent exercisable, the Participant or the Participant's representative may exercise any vested portion of the Option or any part thereof prior to the expiration of the Option Term or as otherwise set forth in Section 5 hereof by giving written notice to the Company in the form attached hereto as Exhibit A or any other form acceptable to the Committee or the Committee's designated administrative representative (the "**Notice of Exercise**"). The Notice of Exercise shall be signed by the person exercising such Option or shall evidence the intent of the person exercising such Option if delivered in electronic format or with an electronic signature. In the event that such Option is being exercised by the Participant's representative, the Notice of Exercise shall be accompanied by proof (satisfactory to the Company) of such representative's right to exercise such Option.

(b) Method of Exercise. The Participant or the Participant's representative shall deliver to the Company, at the time the Notice of Exercise is given, payment (i) in cash or its equivalent (e.g., by cashier's check), (ii) in Shares (whether or not previously owned by the Participant) having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee, (iii) partly in cash and partly in Shares (as described in clause (ii) above), (iv) if there is a public market for the Shares at such time, subject to such administrative requirements as may be imposed by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased or (v) to the extent permitted by the Committee, another form of payment permissible under Section 6.5 of the Plan for the full amount of the aggregate Option Price for the exercised Option.

(c) Issuance of Shares. Provided the Company receives a properly completed and executed Notice of Exercise and payment for the full amount of the aggregate Option Price and the Participant has made arrangements for appropriate withholding, the Company shall promptly cause the Shares underlying the exercised Option to be issued in the name of the Person exercising the applicable Option.

7. Non-Solicitation and Non-Hire. If the Participant has an employment agreement with the Company or any of its Subsidiaries that contains non-solicitation and/or non-hire covenants, the covenants are incorporated herein by reference. To the extent the Participant does not have an employment agreement containing such covenants, the following restrictive covenants shall apply:

As a material incentive for the Company to enter into this Award Agreement, during the term of the Participant's employment with the Company or any of its Subsidiaries and for a period of twelve (12) months from the termination of the Participant's employment for any reason (including, without limitation, resignation by the Participant) (the "Non-Solicitation and Non-Hire Period") the Participant shall not, directly or indirectly, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, induce or attempt to influence, induce, or encourage anyone who is or, within the six (6) months prior to the date of termination was, an employee of the Company or any of its Subsidiaries at or above the managerial

level (including, without limitation, General Managers, Assistant General Managers, store departmental managers, and all higher-ranking managers) (for purposes of this Section 7, an “Employee”), client, supplier, vendor, licensee, distributor, contractor or other business relation of the Company or any of its Subsidiaries to cease doing business with, adversely alter or interfere with its business relationship with, the Company or any of its Subsidiaries. Further, during the Non-Solicitation and Non-Hire Period, the Participant shall not, on the Participant’s own behalf or on behalf of any other person, partnership, entity, association, or corporation, (i) solicit or seek to hire any Employee, or in any other manner attempt directly or indirectly to influence, induce, or encourage any Employee to leave their employ (provided, however, that nothing herein shall restrict the Participant from engaging in any general solicitation that is not specifically targeted at such persons), nor shall the Participant use or disclose to any person, partnership, entity, association, or corporation any information concerning the names, addresses or personal telephone numbers of any Employee, (ii) without the Company’s prior written consent, hire, employ or engage as a consultant any Employee, or (iii) directly or indirectly solicit, induce, or attempt to influence, induce, or encourage any person, partnership, entity, association, or corporation that is a client or customer of the Company or its Subsidiaries and who or which the Participant helped to schedule or conduct a special event or corporate teambuilding while employed by the Company or its Subsidiaries to schedule or conduct a special event or corporate teambuilding through another person, partnership, entity, association, or corporation.

This Section 7 shall survive exercise, termination or settlement of the Option and termination or satisfaction of the Award Agreement.

8. No Right to Continued Service. The granting of the Option evidenced hereby and this Award Agreement shall impose no obligation on the Company or any Affiliate to continue the Service of the Participant and shall not lessen or affect any right that the Company or any Affiliate may have to terminate the Service of such Participant.

9. Securities Laws/Legend on Certificates. The issuance and delivery of Shares shall comply with all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company’s securities may then be traded. If the Company deems it necessary to ensure that the issuance of securities under the Plan is not required to be registered under any applicable securities laws, the Participant shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company which satisfies such requirements. The certificates representing the Shares shall be subject to such stop transfer orders and other restrictions as the Committee may deem reasonably advisable, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

10. Transferability. Unless otherwise provided by the Committee, the Option may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided that, the designation of a beneficiary

shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Option to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof. During the Participant's lifetime, the Option is exercisable only by the Participant (or, if the Participant is disabled, the Participant's representative).

11. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold any applicable withholding taxes in respect of the Option, its exercise or transfer and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes.

12. Notices. Any notification required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

13. Entire Agreement. This Award Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

14. Waiver. No waiver of any breach or condition of this Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

15. Successors and Assigns. The provisions of this Award Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Award Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

16. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Award Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Award Agreement shall be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of the Award Agreement to the substantive law of another jurisdiction. Each party to this Award Agreement agrees that it shall bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Award Agreement exclusively in the Delaware Court of Chancery or, in the event (but only

in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the “**Chosen Court**”) and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action shall be effective if notice is given in accordance with this Award Agreement.

(b) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY CLAIM OR CAUSE OF ACTION (WHETHER IN CONTRACT, IN TORT, AT LAW OR OTHERWISE) INSTITUTED BY OR AGAINST SUCH PARTY IN RESPECT OF ITS, HIS OR HER OBLIGATIONS HEREUNDER.

17. Option Subject to Plan. By entering into this Award Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Option is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan.

18. No Guarantees Regarding Tax Treatment. The Participant shall be responsible for all taxes with respect to the Option. The Committee and the Company make no guarantees regarding the tax treatment of the Option.

19. Amendment. The Committee may amend or alter this Award Agreement and the Option granted hereunder at any time, subject to the terms of the Plan.

20. Signature in Counterparts. This Award Agreement may be signed in counterparts, manually or electronically, and each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

21. Electronic Signature and Delivery. This Award Agreement may be accepted by return signature or by electronic confirmation. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Award Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Agreement or any other document contemplated hereby bearing an original or electronic signature by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in “portable document format” (“.pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

22. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

[signature page follows]

D&B Employee – Christopher Morris
2022 Nonqualified Stock Option Award Agreement No 2
Page 8 of 11

IN WITNESS WHEREOF, the Company and the Participant have executed this Nonqualified Stock Option Award Agreement as of the date first set forth above.

PARTICIPANT

Christopher Morris

DAVE & BUSTER'S ENTERTAINMENT, INC.

By: _____
Robert W. Edmund
General Counsel, Secretary and SVP of HR

D&B Employee – Christopher Morris
2022 Nonqualified Stock Option Award Agreement No 2
Page 9 of 11

EXHIBIT A
Notice of Exercise

Dave & Buster's Entertainment, Inc.
1221 S. Belt Line Road #500
Coppell, Texas 75019
Attn: General Counsel

Date of Exercise: _____

Ladies & Gentlemen:

1. *Exercise of Option.* This constitutes notice to Dave & Buster's Entertainment, Inc. (the "Company") that pursuant to my Nonqualified Stock Option Award Agreement (the "Award Agreement") under the Company's 2014 Omnibus Incentive Plan (the "Plan") I elect to purchase the number of Shares of Company common stock set forth below and for the price set forth below. By signing and delivering this notice to the Company, I hereby acknowledge that I am the holder of the stock option (the "Option") exercised by this notice and have full power and authority to exercise the same. Any capitalized terms used but not defined herein shall have the meanings ascribed to them in the Award Agreement or the Plan, as applicable.

Date of Grant: _____

Number of Shares as to which the Option is exercised
("Optioned Shares"): _____

Shares to be issued in name of: _____

Total exercise price: \$ _____

Cash payment or other method of payment permitted under
Section 6(b) of the Award Agreement delivered herewith: \$ _____

Method: _____

2. *Form of Payment.* The Option may be exercised by delivery to the Company of payment (i) in cash or its equivalent (e.g., by cashier's check), (ii) in Shares (whether or not previously owned by the Person exercising the Option pursuant to this notice) having a Fair Market Value equal to the aggregate Option Price for the Shares being

purchased and satisfying such other requirements as may be imposed by the Committee, (iii) partly in cash and partly in Shares (as described in clause (ii) above), (iv) if there is a public market for the Shares at such time, subject to such administrative requirements as may be imposed by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased or (v) to the extent permitted by the Committee, another form of payment permissible under Section 6.5 of the Plan for the full amount of the aggregate Option Price for the exercised Option.

3. *Delivery of Payment.* With this notice, I hereby deliver to the Company the full exercise price of the Optioned Shares and any and all withholding taxes due in connection with the exercise of my Option or have otherwise satisfied such requirements.

4. *Rights as Stockholder.* While the Company will endeavor to process this notice in a timely manner, I acknowledge that until the issuance of the shares underlying the Optioned Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to such shares, notwithstanding the exercise of my option(s). No adjustment shall be made for a dividend or other right for which the record date is prior to the date of issuance of the optioned stock.

5. *Interpretation.* Any dispute regarding the interpretation of this notice shall be submitted promptly by me or by the Company to the Committee. The resolution of such a dispute by the Committee shall be final and binding on all parties.

6. *Governing Law; Severability.* This notice is governed by the internal substantive laws but not the choice of law rules, of Delaware. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this notice will continue in full force and effect without said provision.

7. *Entire Agreement.* The Plan and the Award Agreement under which the Optioned Shares were granted are incorporated herein by reference, and together with this notice constitute the entire agreement of the parties with respect to the subject matter hereof.

Very truly yours,

(social security number)

D&B Employee – Christopher Morris
2022 Nonqualified Stock Option Award Agreement No 2
Page 11 of 11

Dave & Buster's Entertainment, Inc.
2014 Omnibus Incentive Plan
(Performance Based)

RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this "**Award Agreement**") is made effective as of June 29, 2022 (the "**Date of Grant**"), between Dave & Buster's Entertainment, Inc., a Delaware corporation (the "**Company**") and Christopher Morris (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted the Dave & Buster's Entertainment, Inc. 2014 Omnibus Incentive Plan (as amended from time to time, the "**Plan**"); and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "**Committee**") has determined that it would be in the best interests of the Company and its stockholders to grant the award (the "**Award**") of performance-vesting restricted stock units (each, an "**RSU**") provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Award. The Company hereby grants to the Participant RSUs on the following terms:

(a) Upon achievement of target-level performance set forth in this Agreement, 157,931 RSUs may be earned under this Award (the "**Target Achievable RSUs**") based on the volume-weighted average closing price of a share of the Company's common stock for the consecutive 60-trading day period ending on the fifth anniversary of the Date of Grant (the "**Average Share Price**", and the last day of such 60-trading day period, the "**Closing Date**"). For purposes of this Award Agreement, "**Performance Period**" means the period commencing on the Date of Grant and ending on the Closing Date.

(b) Each RSU represents one notional share of common stock, par value \$.01 per share, of the Company (each, a "**Share**").

2. Terms and Conditions.

(a) Calculation of Earned Portion. The Award shall be one hundred percent (100%) unvested as of the Date of Grant. Pursuant to the terms of the Plan and this Award Agreement, including, without limitation, Sections 3 and 4 below, as soon as reasonably practicable following the Closing Date, the Company shall determine the number RSUs, if any, that shall be deemed earned and eligible for vesting and settlement (such RSUs, "**Earned RSUs**")

in accordance with subsections (b) and (c) below. Any and all RSUs that are not deemed to be Earned RSUs shall be forfeited and canceled immediately without consideration and shall not be eligible for settlement in accordance with Section 3 hereof.

(b) Service Vesting. The Earned RSUs shall vest on the Closing Date, subject to the Participant's continued employment with the Company through such date and subject to earlier vesting of all or a portion of the Earned RSUs in accordance with Subsection 2(c) below (as applicable, each such date is referred to herein as a "**Vesting Date**").

(c) Performance Calculation. The RSUs shall be deemed earned as set forth in the table below based on the Average Share Price. If on the Closing Date, the Average Share Price fails to achieve the target level specified in the table below, then all RSUs shall be deemed unearned, forfeited, and canceled immediately without consideration. The RSUs that are deemed earned in accordance with this Section 2(c) shall be payable as of (and not before) the Settlement Date (defined below).

| <u>Average Share Price</u> | <u>Earned Percentage of RSUs</u> |
|----------------------------------|----------------------------------|
| Greater than or equal to \$67.54 | 100% |
| Less than \$67.54 | 0% |

(i) Notwithstanding the foregoing, if at any time between the Date of Grant and the Closing Date, the volume-weighted average closing price of a share of the Company's common stock for any consecutive 60-trading day period (the final day of such 60-trading day period, the "**Interim Closing Date**") is greater than or equal to \$67.54, then vesting shall occur in three installments as follows:

- (1) Twenty-five percent (25%) of the RSUs will vest on the earlier of (x) the first anniversary of the Interim Closing Date or (y) the Closing Date; and
- (2) Twenty-five percent (25%) of the RSUs will vest on the earlier of (x) second anniversary of the Interim Closing Date or (y) the Closing Date; and
- (3) The remaining fifty percent (50%) of the RSUs (the "**Remaining RSUs**") will vest on the Closing Date.

(ii) Further notwithstanding the foregoing, if at any time between the one-year anniversary of the Interim Closing Date and the Closing Date, the volume-weighted average closing price of a share of the Company's common stock for any consecutive 60-trading day period (the final day of such 60-trading day period, the "**Subsequent Closing Date**") is greater than or equal to \$67.54, then vesting of the Remaining RSUs shall occur as follows (it being understood the vesting of the RSUs in Subsections 2(c)(ii)(1) and (2) shall be unaffected):

(1) Fifty percent (50%) of the Remaining RSUs will vest on the earlier of (x) the first anniversary of the Subsequent Closing Date or (y) the Closing Date; and

(2) Fifty percent (50%) of the Remaining RSUs will vest on the earlier of (x) second anniversary of the Subsequent Closing Date or (y) the Closing Date.

(d) Change of Control. In the event of a Change in Control, notwithstanding Section 2(c), the following shall apply:

(i) Upon the occurrence of a Change in Control of the Company, if the Share Price is greater than or equal to \$67.54 on the effective date of the Change in Control (the "CIC Date"), then all RSUs not already deemed to be Earned RSUs shall be converted to Earned RSUs, except that notwithstanding Sections 2(b) and 2(c), vesting of all then outstanding Earned RSUs shall occur as follows:

(1) Fifty percent (50%) of the then outstanding Earned RSUs will vest on the earlier of (x) the CIC Date or (y) the Closing Date; and

(2) Twenty-five percent (25%) of the then outstanding Earned RSUs will vest on the earlier of (x) first anniversary of the CIC Date or (y) the Closing Date; and

(3) Twenty-five percent (25%) of the then outstanding Earned RSUs will vest on the earlier of (x) second anniversary of the CIC Date or (y) the Closing Date.

(ii) If the Share Price is less than \$67.54 on the CIC Date, then all RSUs not deemed to be Earned RSUs shall immediately terminate and be forfeited without consideration.

3. Settlement; Payment.

(a) Share Settlement. Pursuant to the terms of the Plan and this Award Agreement, including, without limitation, Section 4 below, and to the extent that it would not cause a violation of Section 409A, each vested Earned RSU shall be settled by the issuance of a Share as soon as practicable following the applicable Vesting Date, and in all events no later than the sixtieth (60th) day following such Vesting Date, as determined solely by the Company (the date of settlement, the "**Settlement Date**"). Vested and Earned RSUs settled via Share issuance shall be distributed to the Participant or the Participant's legal representative; provided, that the Company may, at its election, either (a) on or after the Settlement Date, issue a certificate representing the Shares subject to this Award Agreement, or (b) not issue any certificate representing Shares subject to this Award Agreement and instead document the Participant's or the Participant's legal representative's interest in the Shares by registering the Shares with the Company's transfer agent (or another custodian selected by the Company) in book-entry form.

(b) Award Subject to Clawback Policy. The Participant agrees and acknowledges that the Participant is bound by, and the Award is subject to, any clawback policy adopted by the Committee from time to time.

4. Termination of Service. Notwithstanding anything herein to the contrary:

(a) Termination of Service Due to Death or Disability. Upon a termination of the Participant's Service by reason of death or Disability that occurs:

(i) at any time prior to the Closing Date, then the Award shall be settled in accordance with Section 3 above in respect of 100% of the Target Achievable RSUs, notwithstanding the termination of the Participant's Service, except that notwithstanding Section 2(b), such RSUs shall be immediately fully vested and thereafter settled within sixty (60) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above; and

(ii) after the Closing Date and prior to the final Settlement Date, then the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs, except that notwithstanding Section 2(b), such Earned RSUs shall be immediately fully vested and settled within thirty (30) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above.

For purposes of this Award Agreement, "**Disability**" means (i) "Disability" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Disability: the Participant is disabled to the extent that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or is receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Dave & Buster's Management Corporation, Inc. The determination of the Participant's Disability shall be made in good faith by a physician reasonably acceptable to the Company.

(b) Termination of Service Due to Retirement. Upon a termination of the Participant's Service by reason of Retirement that occurs:

(i) at any time prior to the Vesting Date, then the Award shall be settled in accordance with Section 3 above in respect of the number of RSUs that would have been earned pursuant to this Agreement based on actual performance during the full Performance Period, notwithstanding the termination of the Participant's Service, multiplied by a fraction, the numerator of which is the number of days from the Date of Grant through and including the date of termination of Service, and the denominator of which is 1,825, except that notwithstanding Section 2(b), such RSUs shall be fully vested and settled on the Settlement Date next following such termination of Service, subject to the applicable limitations set forth in Section 3 above; and

(ii) after the Vesting Date and prior to the final Settlement Date, then the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs that would have vested on the Vesting Date coincident with or next following such termination of Service, except that notwithstanding Section 2(b), such RSUs shall be immediately fully vested and settled within thirty (30) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above.

For purposes of this Award Agreement, “**Retirement**” means (i) “Retirement” as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Retirement: termination of the Participant’s Service, other than for Cause, after attaining (A) age sixty (60) and completing ten (10) years of continued Service (i.e., without any termination of Service) with the Company or its Affiliates or (B) age sixty-five (65).

(c) Termination without Cause or for Good Reason related to a Change of Control. Upon (i) a termination of the Participant’s Service by the Company or one of its successors or Affiliates without Cause or due to the Participant’s resignation for Good Reason (excluding termination by reason of death or Disability) (a “**Specified Termination**”) and (ii) the Specified Termination occurs either within ninety (90) days before or within twenty-four (24) months following the occurrence of a Change of Control of the Company (the “**Protected Period**”), then:

(i) If the Change in Control occurs at any time prior to the expiration of the Performance Period,

(1) All RSUs that are not deemed to be Earned RSUs shall be forfeited and canceled immediately without consideration and shall not be eligible for settlement in accordance with Section 3 hereof; and

(2) Any then-outstanding Earned RSUs shall be settled in accordance with Section 3 above, except that notwithstanding Section 2(b), such Earned RSUs shall be fully vested upon such termination (or, if later, such Change of Control) and settled within ten (10) days following such termination (or, if later, such Change of Control), subject to the applicable limitations set forth in Section 3 above; and

(ii) If the Change in Control occurs after the expiration of the Performance Period and prior to the final Settlement Date, the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs, except that notwithstanding Section 2(b), such Earned RSUs shall be fully vested upon such termination (or, if later, such Change of Control) and settled within ten (10) days following such termination (or, if later, such Change of Control), subject to the applicable limitations set forth in Section 3 above;

provided, that if a Specified Termination should occur prior to a Change of Control of the Company, the Award shall remain outstanding for up to ninety (90) days following such Specified Termination in order to determine whether such Specified Termination shall have occurred during a Protected Period such that the Award shall be eligible for settlement pursuant to this Section 4(c).

(d) Termination of Service without Cause. Upon a termination of the Participant's Service by the Company or one of its successors or Affiliates without Cause that occurs:

(i) at any time prior to the Vesting Date, then the Award shall be settled in accordance with Section 3 above in respect of the number of RSUs that would have been earned pursuant to this Agreement based on actual performance during the full Performance Period, notwithstanding the termination of the Participant's Service, multiplied by a fraction, the numerator of which is the number of days from the Date of Grant through and including the date of termination of Service, and the denominator of which is 1,825, except that notwithstanding Section 2(b), such RSUs shall be fully vested and settled on the Settlement Date next following the end of the full Performance Period, subject to the applicable limitations set forth in Section 3 above; and

(ii) after the Vesting Date and prior to the final Settlement Date, then the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs that would have vested on the Vesting Date coincident with or next following such termination of Service, except that notwithstanding Section 2(b), such Earned RSUs shall be fully vested and settled within sixty (60) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above.

(e) For purposes of this Award Agreement, "**Cause**" means (x) "Cause" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (y) if there is no such employment agreement or if it does not define Cause: the willful and continued failure by the Participant to perform the duties assigned by the Company, failure to follow reasonable business-related directions from the Company, gross insubordination, theft from the Company or its Affiliates, habitual absenteeism or tardiness, conviction or plea of guilty or *nolo contendere* to a felony, misdemeanor involving fraud, theft or moral turpitude, or any other reckless or willful misconduct that is contrary to the best interests of the Company or materially and adversely affects the reputation of the Company.

(f) For purposes of this Award Agreement, "**Good Reason**" means (i) "Good Reason" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Good Reason: Without the Participant's consent, (A) a material reduction in the Participant's annual base salary or (B) a relocation of the Participant's primary place of employment with the Company by more than fifty (50) miles from that in effect as of the Date of Grant; provided, however, that neither item (A) nor item (B) shall constitute Good Reason unless the Participant has provided written notice to the Company within thirty (30) days of the occurrence of such event and the Company shall have failed to cure such event within thirty (30) days of receipt of such written notice.

(g) Other Terminations of Service. Upon a termination of the Participant's Service prior to the final Settlement Date for any reason other than pursuant to Sections 4(a), 4(b), 4(c) and 4(d) above, the Award, including any then-outstanding Earned RSUs, shall immediately terminate and be forfeited without consideration.

(h) Release. Upon a termination of the Participant's Service prior to the final Settlement Date for termination without Cause pursuant to Section 4(d), settlement of any Award shall be conditioned first upon the Participant's execution of a fully effective and non-revocable general release ("Release") in favor of the Company, its Board of Directors, Affiliates, and employees, in such form as reasonably approved by the Company and the Participant within sixty (60) days of the Participant's termination of Service, which Release shall be provided to the Participant within five (5) days of the Participant's termination of Service.

5. No Right to Continued Service. The granting of the Award evidenced hereby and this Award Agreement shall impose no obligation on the Company or any Affiliate to continue the Service of the Participant and shall not lessen or affect any right that the Company or any Affiliate may have to terminate the Service of such Participant.

6. Shareholder Rights. Neither the Participant nor the Participant's representative shall have any rights as a shareholder of the Company with respect to the RSUs until such Person receives the Shares, if any, issued upon settlement.

7. Non-Solicitation and Non-Hire. If the Participant has an employment agreement with the Company or any of its Subsidiaries that contains non-solicitation and/or non-hire covenants, the covenants are incorporated into this Award Agreement by reference. To the extent the Participant does not have an employment agreement containing such covenants, the following restrictive covenants shall apply:

As a material incentive for the Company to enter into this Award Agreement, during the term of the Participant's employment with the Company or any of its Subsidiaries and for a period of twelve (12) months from the termination of the Participant's employment for any reason (including, without limitation, resignation by the Participant) (the "Non-Solicitation and Non-Hire Period") the Participant shall not, directly or indirectly, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, induce or attempt to influence, induce, or encourage anyone who is or, within the six (6) months prior to the date of termination was, an employee of the Company or any of its Subsidiaries at or above the managerial level (including, without limitation, General Managers, Assistant General Managers, store departmental managers, and all higher-ranking managers) (for purposes of this Section 7, an "Employee"), client, supplier, vendor, licensee, distributor, contractor or other business relation of the Company or any of its Subsidiaries to cease doing business with, adversely alter or interfere with its business relationship with, the Company or any of its Subsidiaries. Further, during the Non-Solicitation and Non-Hire Period, the Participant shall not, on the Participant's own behalf or

on behalf of any other person, partnership, entity, association, or corporation, (i) solicit or seek to hire any Employee, or in any other manner attempt directly or indirectly to influence, induce, or encourage any Employee to leave their employ (provided, however, that nothing herein shall restrict the Participant from engaging in any general solicitation that is not specifically targeted at such persons), nor shall the Participant use or disclose to any person, partnership, entity, association, or corporation any information concerning the names, addresses or personal telephone numbers of any Employee, (ii) without the Company's prior written consent, hire, employ or engage as a consultant any Employee, or (iii) directly or indirectly solicit, induce, or attempt to influence, induce, or encourage any person, partnership, entity, association, or corporation that is a client or customer of the Company or its Subsidiaries and who or which the Participant helped to schedule or conduct a special event or corporate teambuilding while employed by the Company or its Subsidiaries to schedule or conduct a special event or corporate teambuilding through another person, partnership, entity, association, or corporation.

This Section 7 shall survive termination or settlement of the Award and termination or satisfaction of the Award Agreement.

8. Securities Laws/Legend on Certificates. The issuance and delivery of Shares shall comply with all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. If the Company deems it necessary to ensure that the issuance of securities under the Plan is not required to be registered under any applicable securities laws, the Participant shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company which satisfies such requirements. The certificates representing the Shares shall be subject to such stop transfer orders and other restrictions as the Committee may deem reasonably advisable, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

9. Transferability. Unless otherwise provided by the Committee, the Award may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Award to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

10. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold any applicable withholding taxes in respect of the Award, its exercise or transfer and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes.

11. Notices. Any notification required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

12. Entire Agreement. This Award Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

13. Waiver. No waiver of any breach or condition of this Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

14. Successors and Assigns. The provisions of this Award Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Award Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

15. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Award Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Award Agreement shall be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of the Award Agreement to the substantive law of another jurisdiction. Each party to this Award Agreement agrees that it shall bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Award Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the "**Chosen Court**") and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action shall be effective if notice is given in accordance with this Award Agreement.

(b) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY CLAIM OR CAUSE OF ACTION (WHETHER IN CONTRACT, IN TORT, AT LAW OR OTHERWISE) INSTITUTED BY OR AGAINST SUCH PARTY IN RESPECT OF ITS, HIS OR HER OBLIGATIONS HEREUNDER.

16. Award Subject to Plan. By entering into this Award Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Award is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan.

17. No Guarantees Regarding Tax Treatment. The Participant shall be responsible for all taxes with respect to the Award. The Committee and the Company make no guarantees regarding the tax treatment of the Award.

18. Amendment. The Committee may amend or alter this Award Agreement and the Award granted hereunder at any time, subject to the terms of the Plan.

19. Signature in Counterparts. This Award Agreement may be signed in counterparts, manually or electronically, and each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

20. Electronic Signature and Delivery. This Award Agreement may be accepted by return signature or by electronic confirmation. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Award Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Agreement or any other document contemplated hereby bearing an original or electronic signature by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

21. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

[signature page follows]

D&B Team Member – Christopher Morris
2022 Restricted Stock Unit Award Agreement – Performance Based No 1
Page 10 of 11

IN WITNESS WHEREOF, the Company and the Participant have executed this Restricted Stock Unit Award Agreement as of the date first set forth above.

PARTICIPANT

Christopher Morris

DAVE & BUSTER'S ENTERTAINMENT, INC.

By: _____
Robert W. Edmund
General Counsel, Secretary & SVP of HR

D&B Team Member – Christopher Morris
2022 Restricted Stock Unit Award Agreement – Performance Based No 1
Page 11 of 11

Dave & Buster's Entertainment, Inc.
2014 Omnibus Incentive Plan
(Performance Based)

RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this "**Award Agreement**") is made effective as of June 29, 2022 (the "**Date of Grant**"), between Dave & Buster's Entertainment, Inc., a Delaware corporation (the "**Company**") and Christopher Morris (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted the Dave & Buster's Entertainment, Inc. 2014 Omnibus Incentive Plan (as amended from time to time, the "**Plan**"); and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "**Committee**") has determined that it would be in the best interests of the Company and its stockholders to grant the award (the "**Award**") of performance-vesting restricted stock units (each, an "**RSU**") provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Award. The Company hereby grants to the Participant RSUs on the following terms:

(a) Upon achievement of target-level performance set forth in this Agreement, 98,706 RSUs may be earned under this Award (the "**Target Achievable RSUs**") based on the volume-weighted average closing price of a share of the Company's common stock for the consecutive 60-trading day period ending on the fifth anniversary of the Date of Grant (the "**Average Share Price**", and the last day of such 60-trading day period, the "**Closing Date**"). For purposes of this Award Agreement, "**Performance Period**" means the period commencing on the Date of Grant and ending on the Closing Date.

(b) Each RSU represents one notional share of common stock, par value \$.01 per share, of the Company (each, a "**Share**").

2. Terms and Conditions.

(a) Calculation of Earned Portion. The Award shall be one hundred percent (100%) unvested as of the Date of Grant. Pursuant to the terms of the Plan and this Award Agreement, including, without limitation, Sections 3 and 4 below, as soon as reasonably practicable following the Closing Date, the Company shall determine the number RSUs, if any, that shall be deemed earned and eligible for vesting and settlement (such RSUs, "**Earned RSUs**")

in accordance with subsections (b) and (c) below. Any and all RSUs that are not deemed to be Earned RSUs shall be forfeited and canceled immediately without consideration and shall not be eligible for settlement in accordance with Section 3 hereof.

(b) Service Vesting. The Earned RSUs shall vest on the Closing Date subject to the Participant's continued employment with the Company through such date and subject to earlier vesting of all or a portion of the Earned RSUs in accordance with Subsection 2(c) below (as applicable, each such date is referred to herein as a "**Vesting Date**").

(c) Performance Calculation. The RSUs shall be deemed earned as set forth in the table below based on the Average Share Price. If on the Closing Date, the Average Share Price fails to achieve the target level specified in the table below, then all RSUs shall be deemed unearned, forfeited, and canceled immediately without consideration. The RSUs that are deemed earned in accordance with this Section 2(c) shall be payable as of (and not before) the Settlement Date (defined below).

| <u>Average Share Price</u> | <u>Earned Percentage of RSUs</u> |
|-----------------------------------|----------------------------------|
| Greater than or equal to \$101.31 | 100% |
| Less than \$101.31 | 0% |

(i) Notwithstanding the foregoing, if at any time between the Date of Grant and the Closing Date, the volume-weighted average closing price of a share of the Company's common stock for any consecutive 60-trading day period (the final day of such 60-trading day period, the "**Interim Closing Date**") is greater than or equal to \$101.31, then vesting shall occur in three installments as follows:

- (1) Twenty-five percent (25%) of the RSUs will vest on the earlier of (x) the first anniversary of the Interim Closing Date or (y) the Closing Date; and
- (2) Twenty-five percent (25%) of the RSUs will vest on the earlier of (x) second anniversary of the Interim Closing Date or (y) the Closing Date; and
- (3) The remaining fifty percent (50%) of the RSUs (the "**Remaining RSUs**") will vest on the Closing Date.

(ii) Further notwithstanding the foregoing, if at any time between the one-year anniversary of the Interim Closing Date and the Closing Date, the volume-weighted average closing price of a share of the Company's common stock for any consecutive 60-trading day period (the final day of such 60-trading day period, the "**Subsequent Closing Date**") is greater than or equal to \$101.31, then vesting of the Remaining RSUs shall occur as follows (it being understood the vesting of the RSUs in Subsections 2(c)(ii)(1) and (2) shall be unaffected):

(1) Fifty percent (50%) of the Remaining RSUs will vest on the earlier of (x) the first anniversary of the Subsequent Closing Date or (y) the Closing Date; and

(2) Fifty percent (50%) of the Remaining RSUs will vest on the earlier of (x) second anniversary of the Subsequent Closing Date or (y) the Closing Date.

(d) Change of Control. In the event of a Change in Control, notwithstanding Section 2(c), the following shall apply:

(i) Upon the occurrence of a Change in Control of the Company, if the Share Price is greater than or equal to \$101.31 on the effective date of the Change in Control (the "CIC Date"), then all RSUs not already deemed to be Earned RSUs shall be converted to Earned RSUs, except that notwithstanding Sections 2(b) and 2(c), vesting of all then outstanding Earned RSUs shall occur as follows:

(1) Fifty percent (50%) of the then outstanding Earned RSUs will vest on the earlier of (x) the CIC Date or (y) the Closing Date; and

(2) Twenty-five percent (25%) of the then outstanding Earned RSUs will vest on the earlier of (x) first anniversary of the CIC Date or (y) the Closing Date; and

(3) Twenty-five percent (25%) of the then outstanding Earned RSUs will vest on the earlier of (x) second anniversary of the CIC Date or (y) the Closing Date.

(ii) If the Share Price is less than \$101.31 on the CIC Date, then all RSUs not deemed to be Earned RSUs shall immediately terminate and be forfeited without consideration.

3. Settlement; Payment.

(a) Share Settlement. Pursuant to the terms of the Plan and this Award Agreement, including, without limitation, Section 4 below, and to the extent that it would not cause a violation of Section 409A, each vested Earned RSU shall be settled by the issuance of a Share as soon as practicable following the applicable Vesting Date, and in all events no later than the sixtieth (60th) day following such Vesting Date, as determined solely by the Company (the date of settlement, the "**Settlement Date**"). Vested and Earned RSUs settled via Share issuance shall be distributed to the Participant or the Participant's legal representative; provided, that the Company may, at its election, either (a) on or after the Settlement Date, issue a certificate representing the Shares subject to this Award Agreement, or (b) not issue any certificate representing Shares subject to this Award Agreement and instead document the Participant's or the Participant's legal representative's interest in the Shares by registering the Shares with the Company's transfer agent (or another custodian selected by the Company) in book-entry form.

(b) Award Subject to Clawback Policy. The Participant agrees and acknowledges that the Participant is bound by, and the Award is subject to, any clawback policy adopted by the Committee from time to time.

4. Termination of Service. Notwithstanding anything herein to the contrary:

(a) Termination of Service Due to Death or Disability. Upon a termination of the Participant's Service by reason of death or Disability that occurs:

(i) at any time prior to the Closing Date, then the Award shall be settled in accordance with Section 3 above in respect of 100% of the Target Achievable RSUs, notwithstanding the termination of the Participant's Service, except that notwithstanding Section 2(b), such RSUs shall be immediately fully vested and thereafter settled within sixty (60) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above; and

(ii) after the Closing Date and prior to the final Settlement Date, then the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs, except that notwithstanding Section 2(b), such Earned RSUs shall be immediately fully vested and settled within thirty (30) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above.

For purposes of this Award Agreement, "**Disability**" means (i) "Disability" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Disability: the Participant is disabled to the extent that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or is receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Dave & Buster's Management Corporation, Inc. The determination of the Participant's Disability shall be made in good faith by a physician reasonably acceptable to the Company.

(b) Termination of Service Due to Retirement. Upon a termination of the Participant's Service by reason of Retirement that occurs:

(i) at any time prior to the Vesting Date, then the Award shall be settled in accordance with Section 3 above in respect of the number of RSUs that would have been earned pursuant to this Agreement based on actual performance during the full Performance Period, notwithstanding the termination of the Participant's Service, multiplied by a fraction, the numerator of which is the number of days from the Date of Grant through and including the date of termination of Service, and the denominator of which is 1,825, except that notwithstanding Section 2(b), such RSUs shall be fully vested and settled on the Settlement Date next following such termination of Service, subject to the applicable limitations set forth in Section 3 above; and

(ii) after the Vesting Date and prior to the final Settlement Date, then the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs that would have vested on the Vesting Date coincident with or next following such termination of Service, except that notwithstanding Section 2(b), such RSUs shall be immediately fully vested and settled within thirty (30) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above.

For purposes of this Award Agreement, “**Retirement**” means (i) “Retirement” as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Retirement: termination of the Participant’s Service, other than for Cause, after attaining (A) age sixty (60) and completing ten (10) years of continued Service (i.e., without any termination of Service) with the Company or its Affiliates or (B) age sixty-five (65).

(c) Termination without Cause or for Good Reason related to a Change of Control. Upon (i) a termination of the Participant’s Service by the Company or one of its successors or Affiliates without Cause or due to the Participant’s resignation for Good Reason (excluding termination by reason of death or Disability) (a “**Specified Termination**”) and (ii) the Specified Termination occurs either within ninety (90) days before or within twenty-four (24) months following the occurrence of a Change of Control of the Company (the “**Protected Period**”), then:

(i) If the Change in Control occurs at any time prior to the expiration of the Performance Period,

(1) All RSUs that are not deemed to be Earned RSUs shall be forfeited and canceled immediately without consideration and shall not be eligible for settlement in accordance with Section 3 hereof; and

(2) Any then-outstanding Earned RSUs shall be settled in accordance with Section 3 above, except that notwithstanding Section 2(b), such Earned RSUs shall be fully vested upon such termination (or, if later, such Change of Control) and settled within ten (10) days following such termination (or, if later, such Change of Control), subject to the applicable limitations set forth in Section 3 above; and

(ii) If the Change in Control occurs after the expiration of the Performance Period and prior to the final Settlement Date, the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs, except that notwithstanding Section 2(b), such Earned RSUs shall be fully vested upon such termination (or, if later, such Change of Control) and settled within ten (10) days following such termination (or, if later, such Change of Control), subject to the applicable limitations set forth in Section 3 above;

provided, that if a Specified Termination should occur prior to a Change of Control of the Company, the Award shall remain outstanding for up to ninety (90) days following such Specified Termination in order to determine whether such Specified Termination shall have occurred during a Protected Period such that the Award shall be eligible for settlement pursuant to this Section 4(c).

(d) Termination of Service without Cause. Upon a termination of the Participant's Service by the Company or one of its successors or Affiliates without Cause that occurs:

(i) at any time prior to the Vesting Date, then the Award shall be settled in accordance with Section 3 above in respect of the number of RSUs that would have been earned pursuant to this Agreement based on actual performance during the full Performance Period, notwithstanding the termination of the Participant's Service, multiplied by a fraction, the numerator of which is the number of days from the Date of Grant through and including the date of termination of Service, and the denominator of which is 1,825, except that notwithstanding Section 2(b), such RSUs shall be fully vested and settled on the Settlement Date next following the end of the full Performance Period, subject to the applicable limitations set forth in Section 3 above; and

(ii) after the Vesting Date and prior to the final Settlement Date, then the Award shall be settled in accordance with Section 3 above, in respect of the number of then-outstanding Earned RSUs that would have vested on the Vesting Date coincident with or next following such termination of Service, except that notwithstanding Section 2(b), such Earned RSUs shall be fully vested and settled within sixty (60) days following such termination of Service, subject to the applicable limitations set forth in Section 3 above.

(e) For purposes of this Award Agreement, "**Cause**" means (x) "Cause" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (y) if there is no such employment agreement or if it does not define Cause: the willful and continued failure by the Participant to perform the duties assigned by the Company, failure to follow reasonable business-related directions from the Company, gross insubordination, theft from the Company or its Affiliates, habitual absenteeism or tardiness, conviction or plea of guilty or *nolo contendere* to a felony, misdemeanor involving fraud, theft or moral turpitude, or any other reckless or willful misconduct that is contrary to the best interests of the Company or materially and adversely affects the reputation of the Company.

(f) For purposes of this Award Agreement, "**Good Reason**" means (i) "Good Reason" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Good Reason: Without the Participant's consent, (A) a material reduction in the Participant's annual base salary or (B) a relocation of the Participant's primary place of employment with the Company by more than fifty (50) miles from that in effect as of the Date of Grant; provided, however, that neither item (A) nor item (B) shall constitute Good Reason unless the Participant has provided written notice to the Company within thirty (30) days of the occurrence of such event and the Company shall have failed to cure such event within thirty (30) days of receipt of such written notice.

(g) Other Terminations of Service. Upon a termination of the Participant's Service prior to the final Settlement Date for any reason other than pursuant to Sections 4(a), 4(b), 4(c) and 4(d) above, the Award, including any then-outstanding Earned RSUs, shall immediately terminate and be forfeited without consideration.

(h) Release. Upon a termination of the Participant's Service prior to the final Settlement Date for termination without Cause pursuant to Section 4(d), settlement of any Award shall be conditioned first upon the Participant's execution of a fully effective and non-revocable general release ("Release") in favor of the Company, its Board of Directors, Affiliates, and employees, in such form as reasonably approved by the Company and the Participant within sixty (60) days of the Participant's termination of Service, which Release shall be provided to the Participant within five (5) days of the Participant's termination of Service.

5. No Right to Continued Service. The granting of the Award evidenced hereby and this Award Agreement shall impose no obligation on the Company or any Affiliate to continue the Service of the Participant and shall not lessen or affect any right that the Company or any Affiliate may have to terminate the Service of such Participant.

6. Shareholder Rights. Neither the Participant nor the Participant's representative shall have any rights as a shareholder of the Company with respect to the RSUs until such Person receives the Shares, if any, issued upon settlement.

7. Non-Solicitation and Non-Hire. If the Participant has an employment agreement with the Company or any of its Subsidiaries that contains non-solicitation and/or non-hire covenants, the covenants are incorporated into this Award Agreement by reference. To the extent the Participant does not have an employment agreement containing such covenants, the following restrictive covenants shall apply:

As a material incentive for the Company to enter into this Award Agreement, during the term of the Participant's employment with the Company or any of its Subsidiaries and for a period of twelve (12) months from the termination of the Participant's employment for any reason (including, without limitation, resignation by the Participant) (the "Non-Solicitation and Non-Hire Period") the Participant shall not, directly or indirectly, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, induce or attempt to influence, induce, or encourage anyone who is or, within the six (6) months prior to the date of termination was, an employee of the Company or any of its Subsidiaries at or above the managerial level (including, without limitation, General Managers, Assistant General Managers, store departmental managers, and all higher-ranking managers) (for purposes of this Section 7, an "Employee"), client, supplier, vendor, licensee, distributor, contractor or other business relation of the Company or any of its Subsidiaries to cease doing business with, adversely alter or interfere with its business relationship with, the Company or any of its Subsidiaries. Further, during the Non-Solicitation and Non-Hire Period, the Participant shall not, on the Participant's own behalf or

on behalf of any other person, partnership, entity, association, or corporation, (i) solicit or seek to hire any Employee, or in any other manner attempt directly or indirectly to influence, induce, or encourage any Employee to leave their employ (provided, however, that nothing herein shall restrict the Participant from engaging in any general solicitation that is not specifically targeted at such persons), nor shall the Participant use or disclose to any person, partnership, entity, association, or corporation any information concerning the names, addresses or personal telephone numbers of any Employee, (ii) without the Company's prior written consent, hire, employ or engage as a consultant any Employee, or (iii) directly or indirectly solicit, induce, or attempt to influence, induce, or encourage any person, partnership, entity, association, or corporation that is a client or customer of the Company or its Subsidiaries and who or which the Participant helped to schedule or conduct a special event or corporate teambuilding while employed by the Company or its Subsidiaries to schedule or conduct a special event or corporate teambuilding through another person, partnership, entity, association, or corporation.

This Section 7 shall survive termination or settlement of the Award and termination or satisfaction of the Award Agreement.

8. Securities Laws/Legend on Certificates. The issuance and delivery of Shares shall comply with all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. If the Company deems it necessary to ensure that the issuance of securities under the Plan is not required to be registered under any applicable securities laws, the Participant shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company which satisfies such requirements. The certificates representing the Shares shall be subject to such stop transfer orders and other restrictions as the Committee may deem reasonably advisable, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

9. Transferability. Unless otherwise provided by the Committee, the Award may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Award to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

10. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold any applicable withholding taxes in respect of the Award, its exercise or transfer and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes.

11. Notices. Any notification required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

12. Entire Agreement. This Award Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

13. Waiver. No waiver of any breach or condition of this Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

14. Successors and Assigns. The provisions of this Award Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Award Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

15. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Award Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Award Agreement shall be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of the Award Agreement to the substantive law of another jurisdiction. Each party to this Award Agreement agrees that it shall bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Award Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the "**Chosen Court**") and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action shall be effective if notice is given in accordance with this Award Agreement.

(b) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY CLAIM OR CAUSE OF ACTION (WHETHER IN CONTRACT, IN TORT, AT LAW OR OTHERWISE) INSTITUTED BY OR AGAINST SUCH PARTY IN RESPECT OF ITS, HIS OR HER OBLIGATIONS HEREUNDER.

16. Award Subject to Plan. By entering into this Award Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Award is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan.

17. No Guarantees Regarding Tax Treatment. The Participant shall be responsible for all taxes with respect to the Award. The Committee and the Company make no guarantees regarding the tax treatment of the Award.

18. Amendment. The Committee may amend or alter this Award Agreement and the Award granted hereunder at any time, subject to the terms of the Plan.

19. Signature in Counterparts. This Award Agreement may be signed in counterparts, manually or electronically, and each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

20. Electronic Signature and Delivery. This Award Agreement may be accepted by return signature or by electronic confirmation. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Award Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Agreement or any other document contemplated hereby bearing an original or electronic signature by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

21. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

[signature page follows]

D&B Team Member – Christopher Morris
2022 Restricted Stock Unit Award Agreement – Performance Based No 2
Page 10 of 11

IN WITNESS WHEREOF, the Company and the Participant have executed this Restricted Stock Unit Award Agreement as of the date first set forth above.

PARTICIPANT

Christopher Morris

DAVE & BUSTER'S ENTERTAINMENT, INC.

By: _____
Robert W. Edmund
General Counsel, Secretary & SVP of HR

D&B Team Member – Christopher Morris
2022 Restricted Stock Unit Award Agreement – Performance Based No 2
Page 11 of 11

Dave & Buster's Entertainment, Inc.
2014 Omnibus Incentive Plan

RESTRICTED STOCK UNIT AGREEMENT
(Time-Based)

THIS RESTRICTED STOCK UNIT AGREEMENT (this "**Award Agreement**") is made effective as of June 29, 2022 (the "**Date of Grant**"), between Dave & Buster's Entertainment, Inc., a Delaware corporation (the "**Company**") and Christopher Morris (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted the Dave & Buster's Entertainment, Inc. 2014 Omnibus Incentive Plan (as amended from time to time, the "**Plan**"); and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "**Committee**") has determined that it would be in the best interests of the Company and its stockholders to grant the award (the "**Award**") of restricted stock units (each, an "**RSU**") provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Award. The Company hereby grants to the Participant 14,806 RSUs. The RSU Award will vest in five (5) installments as follows: 2,962 RSUs on the first anniversary of the Date of Grant, 2,961 RSUs on the second anniversary of the Date of Grant, 2,961 RSUs on third anniversary of the Date of Grant, 2,961 RSUs on fourth anniversary of the Date of Grant, and 2,961 RSUs on fifth anniversary of the Date of Grant. Each RSU represents one notional share of common stock, par value \$.01 per share, of the Company (each, a "**Share**"), provided that the RSUs shall be settled in Shares in accordance with Section 2 below.

2. Settlement; Payment.

(a) RSUs. Subject to the terms of the Plan and this Award Agreement, including, without limitation, Section 4 hereof, and to the extent that it would not cause a violation of Section 409A, each RSU shall be settled by the issuance of a Share as soon as practicable following the applicable date of vesting, and in all events no later than sixty (60) days following the applicable date of vesting, as determined solely by the Company (the date of settlement, the "**Settlement Date**"). RSUs settled via Share issuance shall be distributed to the Participant or the Participant's legal representative; provided, that the Company may, at its election, either (a) on or after the Settlement Date, issue a certificate representing the Shares subject to this Award Agreement, or (b) not issue any certificate representing Shares subject to this Award Agreement and instead document the Participant's or the Participant's legal representative's interest in the Shares by registering the Shares with the Company's transfer agent (or another custodian selected by the Company) in book-entry form.

(b) Award Subject to Clawback Policy. The Participant agrees and acknowledges that the Participant is bound by, and the Award is subject to, any clawback policy adopted by the Committee from time to time.

3. Termination of Service. Notwithstanding anything herein to the contrary:

(a) Termination of Service Due to Death or Disability. Upon a termination of the Participant's Service by reason of death or Disability that occurs at any time prior to the final Settlement Date, then the Award shall be settled in accordance with Section 2 above in respect of the number of then-outstanding RSUs, except that notwithstanding Section 1, such RSUs shall be immediately fully vested and settled within sixty (60) days following such termination of Service, subject to the applicable limitations set forth in Section 2 above.

For purposes of this Award Agreement, "**Disability**" means (i) "Disability" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Disability: the Participant is disabled to the extent that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or is receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Dave & Buster's Management Corporation, Inc. The determination of the Participant's Disability shall be made in good faith by a physician reasonably acceptable to the Company.

(b) Termination of Service Due to Retirement. Upon a termination of the Participant's Service by reason of Retirement that occurs at any time prior to the final Settlement Date, then the Award shall continue to vest and be settled in accordance with Section 2 above, subject to the applicable limitations set forth in Section 2 above.

For purposes of this Award Agreement, "**Retirement**" means (i) "Retirement" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Retirement: termination of the Participant's Service, other than for Cause, after attaining (A) age sixty (60) and completing ten (10) years of continued Service (i.e., without any termination of Service) with the Company or its Affiliates or (B) age sixty-five (65).

(c) Termination without Cause or for Good Reason related to a Change of Control. Upon (i) a termination of the Participant's Service by the Company or one of its successors or Affiliates without Cause or due to the Participant's resignation for Good Reason (excluding termination by reason of death or Disability), in either case prior to the final Settlement Date (a "**Specified Termination**") and (ii) the Specified Termination occurs either within ninety (90) days before or within twelve (12) months following the occurrence of a Change of Control of the Company (the "**Protected Period**"), that occurs at any time prior to the final Settlement Date, then the Award shall be settled in accordance with Section 2 above in respect of the number of then-outstanding RSUs, except that notwithstanding Section 1, such RSUs shall be immediately fully vested and thereafter settled on the Settlement Date next following such termination of Service, subject to the applicable limitations set forth in Section 2 above; provided, that if a

Specified Termination should occur prior to a Change of Control of the Company, the Award shall remain outstanding for up to ninety (90) days following such Specified Termination in order to determine whether such Specified Termination shall have occurred during a Protected Period such that the Award shall be eligible for settlement pursuant to this Section 3(c).

(d) Termination without Cause. Upon a termination of the Participant's Service by the Company or one of its successors or Affiliates without Cause, that occurs at any time prior to the final Settlement Date, then the Award shall be settled in accordance with Section 2 above in respect of the number of then-outstanding RSUs that would have vested on the applicable date of vesting coincident with or next following such termination of Service, multiplied by a fraction, the numerator of which is the number of days elapsed after the immediately preceding date of vesting through and including the date of termination of Service, and the denominator of which is 1,825, except that notwithstanding Section 1, such RSUs shall be fully vested and settled on the Settlement Date next following such termination of Service, subject to the applicable limitations set forth in Section 2 above.

(e) For purposes of this Award Agreement, "**Cause**" means (x) "Cause" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (y) if there is no such employment agreement or if it does not define Cause: the willful and continued failure by the Participant to perform the duties assigned by the Company, failure to follow reasonable business-related directions from the Company, gross insubordination, theft from the Company or its Affiliates, habitual absenteeism or tardiness, conviction or plea of guilty or *nolo contendere* to a felony, misdemeanor involving fraud, theft or moral turpitude, or any other reckless or willful misconduct that is contrary to the best interests of the Company or materially and adversely affects the reputation of the Company.

(f) For purposes of this Award Agreement, "**Good Reason**" means (i) "Good Reason" as defined in any employment agreement between the Participant and the Company or any of its Affiliates, or (ii) if there is no such employment agreement or if it does not define Good Reason: Without the Participant's consent, (A) a material reduction in the Participant's annual base salary or (B) a relocation of the Participant's primary place of employment with the Company by more than fifty (50) miles from that in effect as of the Date of Grant; provided, however, that neither item (A) nor item (B) shall constitute Good Reason unless the Participant has provided written notice to the Company within thirty (30) days of the occurrence of such event and the Company shall have failed to cure such event within thirty (30) days of receipt of such written notice.

(g) Other Terminations of Service. Upon a termination of the Participant's Service prior to the final Settlement Date for any reason other than pursuant to Sections 3(a), 3(b), 3(c) and 3(d) above, the Award, including any then-outstanding RSUs, shall immediately terminate and be forfeited without consideration.

(h) Release. Upon a termination of the Participant's Service prior to the final Settlement Date for termination without Cause pursuant to Section 3(d), settlement of any Award shall be conditioned first upon the Participant's execution of a fully effective and non-revocable general release ("Release") in favor of the Company, its Board of Directors, Affiliates, and employees, in such form as reasonably approved by the Company and the Participant within sixty (60) days of the Participant's termination of Service, which Release shall be provided to the Participant within five (5) days of the Participant's termination of Service.

4. No Right to Continued Service. The granting of the Award evidenced hereby and this Award Agreement shall impose no obligation on the Company or any Affiliate to continue the Service of the Participant and shall not lessen or affect any right that the Company or any Affiliate may have to terminate the Service of such Participant.

5. Shareholder Rights. Neither the Participant nor the Participant's representative shall have any rights as a shareholder of the Company with respect to the RSUs until such Person receives the Shares, if any, issued upon settlement.

6. Non-Solicitation and Non-Hire. If the Participant has an employment agreement with the Company or any of its Subsidiaries that contains non-solicitation and/or non-hire covenants, the covenants are incorporated into this Award Agreement by reference. To the extent the Participant does not have an employment agreement containing such covenants, the following restrictive covenants shall apply:

As a material incentive for the Company to enter into this Award Agreement, during the term of the Participant's employment with the Company or any of its Subsidiaries and for a period of twelve (12) months from the termination of the Participant's employment for any reason (including, without limitation, resignation by the Participant) (the "Non-Solicitation and Non-Hire Period") the Participant shall not, directly or indirectly, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, induce or attempt to influence, induce, or encourage anyone who is or, within the six (6) months prior to the date of termination was, an employee of the Company or any of its Subsidiaries at or above the managerial level (including, without limitation, General Managers, Assistant General Managers, store departmental managers, and all higher-ranking managers) (for purposes of this Section 6, an "Employee"), client, supplier, vendor, licensee, distributor, contractor or other business relation of the Company or any of its Subsidiaries to cease doing business with, adversely alter or interfere with its business relationship with, the Company or any of its Subsidiaries. Further, during the Non-Solicitation and Non-Hire Period, the Participant shall not, on the Participant's own behalf or on behalf of any other person, partnership, entity, association, or corporation, (i) solicit or seek to hire any Employee, or in any other manner attempt directly or indirectly to influence, induce, or encourage any Employee to leave their employ (provided, however, that nothing herein shall restrict the Participant from engaging in any general solicitation that is not specifically targeted at such persons), nor shall the Participant use or disclose to any person, partnership, entity, association, or corporation any information concerning the names, addresses or personal telephone numbers of any Employee, (ii) without the Company's prior written consent, hire, employ or engage as a consultant any Employee, or (iii) directly or indirectly solicit, induce, or attempt to influence, induce, or encourage any person, partnership, entity, association, or corporation that is a client or customer of the Company or its Subsidiaries and who or which the Participant helped to schedule or conduct a special event or corporate teambuilding while employed by the Company or its Subsidiaries to schedule or conduct a special event or corporate teambuilding through another person, partnership, entity, association, or corporation.

This Section 6 shall survive termination or settlement of the Award and termination or satisfaction of the Award Agreement.

7. Securities Laws/Legend on Certificates. The issuance and delivery of Shares shall comply with all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. If the Company deems it necessary to ensure that the issuance of securities under the Plan is not required to be registered under any applicable securities laws, the Participant shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company which satisfies such requirements. The certificates representing the Shares shall be subject to such stop transfer orders and other restrictions as the Committee may deem reasonably advisable, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

8. Transferability. Unless otherwise provided by the Committee, the Award may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Award to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

9. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold any applicable withholding taxes in respect of the Award, its exercise or transfer and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes.

10. Notices. Any notification required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

11. Entire Agreement. This Award Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

12. Waiver. No waiver of any breach or condition of this Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

13. Successors and Assigns. The provisions of this Award Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Award Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

14. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Award Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Award Agreement shall be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of the Award Agreement to the substantive law of another jurisdiction. Each party to this Award Agreement agrees that it shall bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Award Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the "**Chosen Court**") and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action shall be effective if notice is given in accordance with this Award Agreement.

(b) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY CLAIM OR CAUSE OF ACTION (WHETHER IN CONTRACT, IN TORT, AT LAW OR OTHERWISE) INSTITUTED BY OR AGAINST SUCH PARTY IN RESPECT OF ITS, HIS OR HER OBLIGATIONS HEREUNDER.

15. Award Subject to Plan. By entering into this Award Agreement, the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Award is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan.

16. No Guarantees Regarding Tax Treatment. The Participant shall be responsible for all taxes with respect to the Award. The Committee and the Company make no guarantees regarding the tax treatment of the Award.

17. Amendment. The Committee may amend or alter this Award Agreement and the Award granted hereunder at any time, subject to the terms of the Plan.

18. Signature in Counterparts. This Award Agreement may be signed in counterparts, manually or electronically, and each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

19. Electronic Signature and Delivery. This Award Agreement may be accepted by return signature or by electronic confirmation. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Award Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Agreement or any other document contemplated hereby bearing an original or electronic signature by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

20. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

IN WITNESS WHEREOF, the Company and the Participant have executed this Restricted Stock Unit Agreement as of the date first set forth above.

PARTICIPANT

By: _____
Christopher Morris

DAVE & BUSTER'S ENTERTAINMENT, INC.

By: _____
Robert W. Edmund
General Counsel, Secretary & SVP of HR

CERTIFICATION

I, Christopher Morris, Chief Executive Officer of Dave & Buster's Entertainment, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dave & Buster's Entertainment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's second fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 7, 2022

/s/ Christopher Morris

Christopher Morris
Chief Executive Officer

CERTIFICATION

I, Michael A. Quartieri, Chief Financial Officer of Dave & Buster's Entertainment, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dave & Buster's Entertainment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's second fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 7, 2022

/s/ Michael A. Quartieri

Michael A. Quartieri
Chief Financial Officer

CERTIFICATION

In connection with the Quarterly Report of Dave & Buster's Entertainment, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher Morris, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, that:

- (1) The Report fully complies with the applicable requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 7, 2022

/s/ Christopher Morris

Christopher Morris
Chief Executive Officer

CERTIFICATION

In connection with the Quarterly Report of Dave & Buster's Entertainment, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael A. Quartieri, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, that:

- (1) The Report fully complies with the applicable requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 7, 2022

/s/ Michael A. Quartieri

Michael A. Quartieri
Chief Financial Officer