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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549  
**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**FOR THE QUARTERLY PERIOD ENDED November 5, 2024**  
**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 S. Belt Line Rd., Suite 500, 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 December 6, 2024, the registrant had 38,502,886 shares of common stock, \$0.01 par value per share, outstanding.

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**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**FORM 10-Q FOR QUARTERLY PERIOD ENDED NOVEMBER 5, 2024**  
**TABLE OF CONTENTS**

|                | <u>Page</u>  |
|----------------|--|
| <b>PART I</b>  | <b>FINANCIAL INFORMATION</b>   |
| Item 1.        | <a href="#">Financial Statements</a> 3   |
| Item 2.        | <a href="#">Management's Discussion and Analysis of Financial Condition and Results of Operations</a> 16 |
| Item 3.        | <a href="#">Quantitative and Qualitative Disclosures About Market Risk</a> 31                            |
| Item 4.        | <a href="#">Controls and Procedures</a> 32   |
| <b>PART II</b> | <b>OTHER INFORMATION</b>   |
| Item 1.        | <a href="#">Legal Proceedings</a> 33   |
| Item 1A.       | <a href="#">Risk Factors</a> 33  |
| Item 2.        | <a href="#">Unregistered Sales of Equity Securities</a> 33   |
| Item 5.        | <a href="#">Other Information</a> 33   |
| Item 6.        | <a href="#">Exhibits</a> 34  |
|                | <a href="#">Signatures</a> 35  |

## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

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

|  | November 5, 2024<br>(Unaudited) | February 4, 2024<br>(Audited) |
|--|---------------------------------|-------------------------------|
| <b>ASSETS</b>  |                                 |                               |
| Current Assets:  |                                 |                               |
| Cash and cash equivalents  | \$ 8.6                          | \$ 37.3                       |
| Inventories  | 38.4                            | 37.2                          |
| Prepaid expenses   | 20.5                            | 18.2                          |
| Income taxes receivable  | 22.7                            | 22.9                          |
| Accounts receivable  | 21.8                            | 21.9                          |
| Total current assets   | 112.0                           | 137.5                         |
| Property and equipment (net of \$1,397.3 and \$1,222.6 of accumulated depreciation as of November 5, 2024 and February 4, 2024, respectively)  | 1,520.1                         | 1,332.7                       |
| Operating lease right of use assets, net   | 1,343.4                         | 1,323.3                       |
| Deferred tax assets  | 7.3                             | 6.0                           |
| Tradenames   | 178.2                           | 178.2                         |
| Goodwill   | 742.5                           | 742.5                         |
| Other assets and deferred charges  | 37.6                            | 34.2                          |
| Total assets   | \$ 3,941.1                      | \$ 3,754.4                    |
| <b>LIABILITIES AND STOCKHOLDERS’ EQUITY</b>  |                                 |                               |
| Current Liabilities:   |                                 |                               |
| Current installments of long-term debt   | \$ 7.0                          | \$ 9.0                        |
| Accounts payable   | 90.3                            | 118.6                         |
| Accrued liabilities  | 293.2                           | 306.0                         |
| Income taxes payable   | 0.5                             | 2.0                           |
| Total current liabilities  | 391.0                           | 435.6                         |
| Deferred income taxes  | 83.6                            | 89.8                          |
| Operating lease liabilities  | 1,593.5                         | 1,558.5                       |
| Other long-term liabilities  | 201.6                           | 135.3                         |
| Long-term debt, net  | 1,444.8                         | 1,284.0                       |
| Commitments and contingencies  |                                 |                               |
| Stockholders’ equity:  |                                 |                               |
| Common stock, par value \$0.01; authorized: 400.00 shares; issued: 63.16 shares at November 5, 2024 and 62.86 at February 4, 2024; outstanding: 38.50 shares at November 5, 2024 and 40.27 at February 4, 2024 | 0.6                             | 0.6                           |
| Preferred stock, 50.00 authorized; none issued   | —                               | —                             |
| Paid-in capital  | 614.5                           | 597.6                         |
| Treasury stock, 24.66 and 22.59 shares as of November 5, 2024 and February 4, 2024, respectively   | (1,035.7)                       | (945.3)                       |
| Accumulated other comprehensive loss   | (1.0)                           | (0.9)                         |
| Retained earnings  | 648.2                           | 599.2                         |
| Total stockholders’ equity   | 226.6                           | 251.2                         |
| Total liabilities and stockholders’ equity   | \$ 3,941.1                      | \$ 3,754.4                    |

See accompanying notes to consolidated financial statements.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(in millions, except per share amounts; unaudited)

|  | Three Months Ended |                  | Nine Months Ended |                  |
|--|--------------------|------------------|-------------------|------------------|
|  | November 5, 2024   | October 29, 2023 | November 5, 2024  | October 29, 2023 |
| Entertainment revenues   | \$ 294.6           | \$ 302.0         | \$ 1,056.0        | \$ 1,055.9       |
| Food and beverage revenues                                     | 158.4              | 164.9            | 542.2             | 550.4            |
| Total revenues   | 453.0              | 466.9            | 1,598.2           | 1,606.3          |
| Cost of entertainment  | 25.1               | 30.5             | 91.2              | 101.0            |
| Cost of food and beverage                                      | 42.7               | 45.9             | 145.7             | 156.8            |
| Total cost of products   | 67.8               | 76.4             | 236.9             | 257.8            |
| Operating payroll and benefits                                 | 120.9              | 119.9            | 393.7             | 377.5            |
| Other store operating expenses                                 | 171.7              | 167.7            | 515.4             | 499.3            |
| General and administrative expenses                            | 27.2               | 28.4             | 89.1              | 92.0             |
| Depreciation and amortization expenses                         | 53.9               | 51.9             | 174.2             | 149.9            |
| Pre-opening costs  | 5.2                | 4.0              | 12.6              | 12.7             |
| Total operating costs  | 446.7              | 448.3            | 1,421.9           | 1,389.2          |
| Operating income   | 6.3                | 18.6             | 176.3             | 217.1            |
| Interest expense, net  | 32.9               | 28.9             | 99.9              | 92.5             |
| Loss on debt refinancing                                       | 15.2               | —                | 15.2              | 11.2             |
| Income (loss) before provision for (benefit from) income taxes | (41.8)             | (10.3)           | 61.2              | 113.4            |
| Provision for (benefit from) income taxes                      | (9.1)              | (5.1)            | 12.2              | 22.6             |
| Net income (loss)  | (32.7)             | (5.2)            | 49.0              | 90.8             |
| Unrealized foreign currency translation loss                   | —                  | (0.3)            | (0.1)             | (0.2)            |
| Total other comprehensive loss                                 | —                  | (0.3)            | (0.1)             | (0.2)            |
| Total comprehensive income (loss)                              | \$ (32.7)          | \$ (5.5)         | \$ 48.9           | \$ 90.6          |
| Net income (loss) per share:                                   |                    |                  |                   |                  |
| Basic  | \$ (0.84)          | \$ (0.12)        | \$ 1.24           | \$ 2.05          |
| Diluted  | \$ (0.84)          | \$ (0.12)        | \$ 1.21           | \$ 2.01          |
| Weighted average shares used in per share calculations:        |                    |                  |                   |                  |
| Basic  | 39.11              | 41.81            | 39.65             | 44.27            |
| Diluted  | 39.11              | 41.81            | 40.60             | 45.09            |

See accompanying notes to consolidated financial statements.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(in millions; unaudited)

Nine Months Ended November 5, 2024

|  | Common Stock |        | Paid-In Capital | Treasury Stock at Cost |              | Accumulated Other Comprehensive Loss | Retained Earnings | Total    |
|--|--------------|--------|-----------------|------------------------|--------------|--------------------------------------|-------------------|----------|
|  | Shares       | Amount |                 | Shares                 | Amount       |                                      |                   |          |
| <b>Balance February 4, 2024</b>              | 62.86        | \$ 0.6 | \$ 597.6        | 22.59                  | \$ (945.3)   | \$ (0.9)                             | \$ 599.2          | \$ 251.2 |
| Net income                                   | —            | —      | —               | —                      | —            | —                                    | 41.4              | 41.4     |
| Unrealized foreign currency translation loss | —            | —      | —               | —                      | —            | (0.1)                                | —                 | (0.1)    |
| Share-based compensation                     | —            | —      | 4.0             | —                      | —            | —                                    | —                 | 4.0      |
| Issuance of common stock                     | 0.29         | —      | 7.5             | —                      | —            | —                                    | —                 | 7.5      |
| Repurchase of common stock                   | —            | —      | —               | 0.21                   | (11.5)       | —                                    | —                 | (11.5)   |
| <b>Balance May 5, 2024</b>                   | 63.15        | \$ 0.6 | \$ 609.1        | 22.80                  | \$ (956.8)   | \$ (1.0)                             | \$ 640.6          | \$ 292.5 |
| Net income                                   | —            | —      | —               | —                      | —            | —                                    | 40.3              | 40.3     |
| Share-based compensation                     | —            | —      | 2.3             | —                      | —            | —                                    | —                 | 2.3      |
| Repurchase of common stock                   | —            | —      | —               | 1.05                   | (50.7)       | —                                    | —                 | (50.7)   |
| <b>Balance August 6, 2024</b>                | 63.15        | \$ 0.6 | \$ 611.4        | 23.85                  | \$ (1,007.5) | \$ (1.0)                             | \$ 680.9          | \$ 284.4 |
| Net loss                                     | —            | —      | —               | —                      | —            | —                                    | (32.7)            | (32.7)   |
| Share-based compensation                     | —            | —      | 2.8             | —                      | —            | —                                    | —                 | 2.8      |
| Issuance of common stock                     | 0.01         | —      | 0.3             | —                      | —            | —                                    | —                 | 0.3      |
| Repurchase of common stock                   | —            | —      | —               | 0.81                   | (28.2)       | —                                    | —                 | (28.2)   |
| <b>Balance November 5, 2024</b>              | 63.16        | \$ 0.6 | \$ 614.5        | 24.66                  | \$ (1,035.7) | \$ (1.0)                             | \$ 648.2          | \$ 226.6 |

See accompanying notes to consolidated financial statements.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (CONTINUED)**  
(in millions; unaudited)

Nine Months Ended October 29, 2023

|  | Common Stock |        | Paid-In<br>Capital | Treasury Stock at Cost |            | Accumulated<br>Other<br>Comprehensive<br>Loss | Retained<br>Earnings | Total    |
|--|--------------|--------|--------------------|------------------------|------------|---|----------------------|----------|
|  | Shares       | Amount |                    | Shares                 | Amount     |   |                      |          |
| <b>Balance January 29, 2023</b>              | 62.42        | \$ 0.6 | \$ 577.5           | 14.01                  | \$ (639.0) | \$ (0.9)                                      | \$ 472.3             | \$ 410.5 |
| Net income                                   | —            | —      | —                  | —                      | —          | —   | 70.1                 | 70.1     |
| Share-based compensation                     | —            | —      | 6.7                | —                      | —          | —   | —                    | 6.7      |
| Issuance of common stock                     | 0.09         | —      | 0.1                | —                      | —          | —   | —                    | 0.1      |
| Repurchase of common stock                   | —            | —      | —                  | 3.62                   | (127.5)    | —   | —                    | (127.5)  |
| <b>Balance April 30, 2023</b>                | 62.51        | \$ 0.6 | \$ 584.3           | 17.63                  | \$ (766.5) | \$ (0.9)                                      | \$ 542.4             | \$ 359.9 |
| Net income                                   | —            | —      | —                  | —                      | —          | —   | 25.9                 | 25.9     |
| Unrealized foreign currency translation gain | —            | —      | —                  | —                      | —          | 0.1   | —                    | 0.1      |
| Share-based compensation                     | —            | —      | 5.2                | —                      | —          | —   | —                    | 5.2      |
| Issuance of common stock                     | 0.18         | —      | 0.6                | —                      | —          | —   | —                    | 0.6      |
| Repurchase of common stock                   | —            | —      | —                  | 2.09                   | (77.3)     | —   | —                    | (77.3)   |
| <b>Balance July 30, 2023</b>                 | 62.69        | \$ 0.6 | \$ 590.1           | 19.72                  | \$ (843.8) | \$ (0.8)                                      | \$ 568.3             | \$ 314.4 |
| Net loss                                     | —            | —      | —                  | —                      | —          | —   | (5.2)                | (5.2)    |
| Unrealized foreign currency translation loss | —            | —      | —                  | —                      | —          | (0.3)   | —                    | (0.3)    |
| Share-based compensation                     | —            | —      | 3.5                | —                      | —          | —   | —                    | 3.5      |
| Issuance of common stock                     | 0.03         | —      | 0.2                | —                      | —          | —   | —                    | 0.2      |
| Repurchase of common stock                   | —            | —      | —                  | 2.81                   | (101.0)    | —   | —                    | (101.0)  |
| <b>Balance October 29, 2023</b>              | 62.72        | \$ 0.6 | \$ 593.8           | 22.53                  | \$ (944.8) | \$ (1.1)                                      | \$ 563.1             | \$ 211.6 |

See accompanying notes to consolidated financial statements.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions; unaudited)

|   | Nine Months Ended |                  |
|---|-------------------|------------------|
|   | November 5, 2024  | October 29, 2023 |
| <b>Cash flows from operating activities:</b>  |                   |                  |
| Net income  | \$ 49.0           | \$ 90.8          |
| Adjustments to reconcile net income to net cash provided by operating activities:     |                   |                  |
| Depreciation and amortization expense   | 174.2             | 149.9            |
| Non-cash interest expense   | 8.4               | 8.9              |
| Deferred taxes  | (7.5)             | 1.6              |
| Loss on debt refinancing  | 15.2              | 11.2             |
| Share-based compensation  | 9.1               | 15.4             |
| Other, net  | 16.1              | 8.1              |
| Changes in assets and liabilities:  |                   |                  |
| Inventories   | (1.1)             | 2.1              |
| Prepaid expenses  | (2.2)             | (3.9)            |
| Income tax receivable   | 0.2               | 19.4             |
| Accounts receivable   | 0.1               | 1.6              |
| Other assets and deferred charges   | (5.5)             | 4.7              |
| Accounts payable  | (32.0)            | (23.0)           |
| Accrued liabilities   | (13.8)            | (22.0)           |
| Income taxes payable  | (1.5)             | 0.2              |
| Other long-term liabilities   | (5.3)             | 2.0              |
| Net cash provided by operating activities:  | <u>203.4</u>      | <u>267.0</u>     |
| <b>Cash flows from investing activities:</b>  |                   |                  |
| Capital expenditures  | (360.3)           | (207.6)          |
| Proceeds from sales of property and equipment   | 0.4               | 0.4              |
| Net cash used in investing activities:  | <u>(359.9)</u>    | <u>(207.2)</u>   |
| <b>Cash flows from financing activities:</b>  |                   |                  |
| Proceeds from term loan and revolver  | 1,194.0           | 146.4            |
| Term loan and revolver payments   | (599.7)           | (103.3)          |
| Repayments of senior notes  | (440.0)           | —                |
| Debt issuance costs   | (17.4)            | (3.1)            |
| Proceeds from sale-leaseback transactions   | 73.3              | 84.2             |
| Principal payments on sale-leaseback financing  | (0.6)             | —                |
| Proceeds from the exercise of stock options   | 7.9               | 0.9              |
| Repurchases of common stock under share repurchase program                            | (88.0)            | (300.0)          |
| Repurchases of common stock to satisfy employee withholding tax obligations           | (1.7)             | (2.5)            |
| Net cash provided by (used in) financing activities:                                  | <u>127.8</u>      | <u>(177.4)</u>   |
| Decrease in cash and cash equivalents   | (28.7)            | (117.6)          |
| Beginning cash and cash equivalents   | 37.3              | 181.6            |
| Ending cash and cash equivalents  | <u>\$ 8.6</u>     | <u>\$ 64.0</u>   |
| <b>Supplemental disclosures of cash flow information:</b>                             |                   |                  |
| Increase/(decrease) in accounts payable for the acquisition of property and equipment | \$ 3.7            | \$ 7.9           |
| Cash paid for income taxes, net   | \$ 20.0           | \$ 0.6           |
| Cash paid for interest, net   | \$ 94.0           | \$ 75.7          |

See accompanying notes to consolidated financial statements.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**(in millions, except per share amounts; unaudited)**

**Note 1: Summary of Significant Accounting Policies**

The accompanying 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. 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.

During the nine months ended November 5, 2024, the Company opened nine stores, and as of November 5, 2024, the Company owned and operated 227 stores in 44 states, Puerto Rico and one Canadian province.

The Company operates its business as two operating segments based on its major brands, Dave & Buster's and Main Event. The Company has one reportable segment as both brands provide similar products and services to a similar customer base, are managed together by a single management team and share similar economic characteristics.

**Fiscal Calendar** — The Company has historically operated 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, except for 53-week fiscal years when the fourth quarter has 14 weeks. Fiscal 2023, which ended on February 4, 2024, followed this calendar and had 53 weeks. The first quarter of fiscal 2024 also followed this calendar and had 13 weeks.

On May 6, 2024, the first day of the 2nd quarter of fiscal 2024, the Company changed its fiscal year to end on the Tuesday after the Monday closest to January 31<sup>st</sup>. The change was made to improve labor and operational efficiencies by ending the Company's periods outside of the busier weekend timeframe. As a result of this change, the second quarter and fiscal year 2024 have two additional days added to its normal 13-week quarter and 52-week year. The fourth quarter of fiscal 2024 will end on February 4, 2025.

**Basis of Presentation** — 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 February 4, 2024, included in our Annual Report on Form 10-K.

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 three and nine months ended November 5, 2024 are not necessarily indicative of results that may be expected for any other interim period or for the full fiscal year ending February 4, 2025.

**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 can create book overdrafts. There were no book overdrafts as of November 5, 2024 or as of February 4, 2024.

**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.



**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
(in millions, except per share amounts; unaudited)

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 debt is determined based on traded price data as of the measurement date, which we classify as a level two input within the fair value hierarchy as defined under GAAP. The fair value of the Company's debt was as follows as of the periods indicated:

|                           | November 5, 2024  | February 4, 2024  |
|---------------------------|-------------------|-------------------|
| Revolving credit facility | \$ 101.0          | —                 |
| Term loans                | 1,388.8           | 898.3             |
| Senior secured notes      | —                 | 445.0             |
|                           | <u>\$ 1,489.8</u> | <u>\$ 1,343.3</u> |

**Revenues** — Our entertainment revenues primarily consist of attractions including redemption and simulation games, bowling, laser tag, billiards and gravity ropes. Our food and beverage revenues consist of full meals, appetizers and both alcoholic and non-alcoholic beverages. The Company's revenue for these categories was as follows:

|                                  | Nine Months Ended |                   |
|----------------------------------|-------------------|-------------------|
|                                  | November 5, 2024  | October 29, 2023  |
| Entertainment                    | \$ 1,038.3        | \$ 1,035.4        |
| Other <sup>(1)</sup>             | 17.7              | 20.5              |
| Entertainment revenues           | <u>\$ 1,056.0</u> | <u>\$ 1,055.9</u> |
| Food and non-alcoholic beverages | \$ 370.4          | \$ 370.8          |
| Alcoholic beverages              | 171.8             | 179.6             |
| Food and beverage revenues       | <u>\$ 542.2</u>   | <u>\$ 550.4</u>   |

<sup>(1)</sup> Primarily consists of revenue earned from party rentals and gift card breakage (see *Revenue recognition* below).

**Revenue Recognition** — Customers purchase cards with game play credits or “chips” to be used on a variety of redemption and simulation games. Entertainment revenues related to game play primarily consist of game play credits, which are 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 entertainment revenues for the estimated unfulfilled performance obligations related to unredeemed game play credits and tickets. The deferral is 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. The Company recognizes expected breakage as revenue in proportion to the pattern of redemption by the customers. This breakage is based on the Company's specific historical redemption patterns and will change as those redemption patterns change over time. Recognized game play credits and tickets breakage revenue is included in entertainment revenues in the statement of comprehensive income. During the nine months ended November 5, 2024, we recognized revenue of \$66.5 related to the amount in deferred entertainment revenues as of the end of fiscal 2023.

We recognize revenue on unredeemed gift cards in proportion to the pattern of redemption by the customers. During the nine months ended November 5, 2024, we recognized revenue of \$10.3 related to the amount in deferred gift card revenue as of the end of fiscal 2023. These revenues are included in Entertainment revenues on the consolidated statements of comprehensive income.

**Earnings Per Share** — Basic net income 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 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.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
(in millions, except per share amounts; unaudited)

Basic weighted average shares outstanding are reconciled to diluted weighted average shares outstanding as follows:

|   | Three Months Ended |                  | Nine Months Ended |                  |
|---|--------------------|------------------|-------------------|------------------|
|   | November 5, 2024   | October 29, 2023 | November 5, 2024  | October 29, 2023 |
| Basic weighted average shares outstanding         | 39.11              | 41.81            | 39.65             | 44.27            |
| Weighted average dilutive impact of awards        | —                  | —                | 0.95              | 0.82             |
| Diluted weighted average shares outstanding       | 39.11              | 41.81            | 40.60             | 45.09            |
| Weighted average awards excluded as anti-dilutive | 1.55               | 1.62             | 0.32              | 0.90             |

**Recent Accounting Pronouncements** — In November 2024, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2024-03, Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40) *Disaggregation of Income Statement Expenses*, which requires expanded disclosures of expense information including the amounts of inventory purchases, employee compensation, depreciation, amortization, depletion and selling expenses within commonly presented expense captions presented on the face of the income statement. The guidance is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, applied retrospectively. Early adoption is permitted. The Company expects ASU 2024-03 to require additional disclosures in the notes to our consolidated financial statements and currently does not plan early adoption.

See discussion at Note 1 to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended February 4, 2024 for previously issued accounting pronouncements that may have an impact to the Company in the future.

**Accounting Reclassifications** — We reclassified \$2.8 to cost of entertainment and \$8.3 to cost of food and beverage, respectively, from other store operating expenses for the nine months ended October 29, 2023 to be consistent with the presentation for the nine months ended November 5, 2024. We determined that reclassifying the expenses, which are primarily related to inventory items provided to customers during promotions and events, results in a clearer presentation of the cost of goods sold.

**Note 2: Accrued Liabilities**

Accrued liabilities consist of the following as of the dates presented:

|  | November 5, 2024 | February 4, 2024 |
|--|------------------|------------------|
| Deferred entertainment revenue                                     | \$ 103.8         | \$ 121.2         |
| Current portion of operating lease liabilities, net <sup>(1)</sup> | 73.1             | 63.1             |
| Compensation and benefits  | 27.7             | 29.0             |
| Deferred gift card revenue   | 18.6             | 20.3             |
| Property taxes   | 17.2             | 9.7              |
| Sales and use and other taxes                                      | 8.1              | 12.5             |
| Customer deposits  | 17.9             | 9.7              |
| Accrued interest   | 1.4              | 9.6              |
| Utilities  | 6.7              | 7.5              |
| Current portion of self-insurance reserves                         | 5.7              | 5.7              |
| Current portion of deferred occupancy costs                        | 2.3              | 2.9              |
| Other  | 10.7             | 14.8             |
| <b>Total accrued liabilities</b>                                   | <b>\$ 293.2</b>  | <b>\$ 306.0</b>  |

<sup>(1)</sup> The balance of leasehold incentive receivables of \$6.9 and \$13.0 as of November 5, 2024 and February 4, 2024, respectively, is reflected as a reduction of the current portion of operating lease liabilities.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
(in millions, except per share amounts; unaudited)

**Note 3: Leases**

We currently lease most of the buildings or sites for our stores, store support center, 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 include 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.

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 store support center and warehouse, in the consolidated statement 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:

|                       | Three Months Ended |                  | Nine Months Ended |                  |
|-----------------------|--------------------|------------------|-------------------|------------------|
|                       | November 5, 2024   | October 29, 2023 | November 5, 2024  | October 29, 2023 |
| Operating lease cost  | \$ 50.3            | \$ 49.4          | \$ 151.3          | \$ 146.6         |
| Variable lease cost   | 10.1               | 9.7              | 31.6              | 29.3             |
| Short-term lease cost | 0.8                | 0.8              | 1.6               | 2.4              |
| Total                 | \$ 61.2            | \$ 59.9          | \$ 184.5          | \$ 178.3         |

Operating lease payments in the table above includes minimum lease payments for future sites for which the leases have commenced. As of November 5, 2024, the Company had signed lease agreements with total lease payments of \$139.6 related to seven facility leases which had not yet commenced. Fixed minimum lease payments related to these facilities are not included in the right-of-use assets and lease liabilities on the consolidated balance sheets as of November 5, 2024.

***Sale-leaseback transactions***

In July 2024, the Company entered into a sale and master lease agreement (a "sale-leaseback") with an unrelated third party. Under this agreement, the Company sold two of its store properties, including land, buildings and certain improvements, at a sale price of \$44.8 and then leased the assets back through the sale-leaseback transaction.

In September 2024, the Company entered into a sale-leaseback with an unrelated third party. Under this agreement, the Company sold one of its store properties, including land, buildings and certain improvements, at a sale price of \$28.5 and then leased the assets back through the sale-leaseback transaction.

These transactions were accounted for as failed sale-leasebacks based on GAAP under ASC 842, *Leases*. As a result, the store property assets remain on the consolidated balance sheet at their historical net book value and are depreciated over the remaining term of the applicable master lease. Financing liabilities were recognized in the amount of the proceeds received, net of certain transactions costs, in the amount of \$44.3 and \$28.0 related to the July 2024 and September 2024 transactions, respectively. The Company will not recognize rent expense related to the leased assets. Instead, monthly rent payments under the applicable master lease agreement (initially, \$3.6 and \$2.1 per year related to the July 2024 and September 2024 transactions, respectively) will be recorded as interest expense and a reduction of the outstanding liability.

As of November 5, 2024, including the transactions noted above, the Company had financing liabilities related to seven properties. The current outstanding liability of \$0.3 is included in accrued liabilities and the long-term outstanding liability of \$155.0 is included in other long-term liabilities on the consolidated balance sheet.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
(in millions, except per share amounts; unaudited)

**Note 4: Debt**

Long-term debt consisted of the following as of the dates presented:

|   | November 5, 2024 | February 4, 2024 |
|---|------------------|------------------|
| Credit facility—revolver                          | \$ 101.0         | \$ —             |
| Credit facility—term loans                        | 1,391.0          | 897.8            |
| Senior secured notes                              | —                | 440.0            |
| Total debt outstanding                            | 1,492.0          | 1,337.8          |
| Less current installments of long-term debt       | (7.0)            | (9.0)            |
| Less debt issue discounts and debt issuance costs | (40.2)           | (44.8)           |
| Long-term debt, net                               | \$ 1,444.8       | \$ 1,284.0       |

**Credit Facility**

The Company has a senior secured credit agreement (the "Credit Facility") including a revolving credit facility (the "Revolving Credit Facility") and a term loan facility (together with the Revolving Credit Facility, the "Credit Facility"). On November 1, 2024, D&B Inc. entered into an amendment with its banking syndicate, which amended the Credit Facility (the "Fourth Amendment"). For discussion of prior amendments, see Note 7 to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended February 4, 2024.

The Fourth Amendment, among other things:

- provides for a new tranche of term loans in an aggregate principal amount of \$700.0 (the "Incremental Term B Loans") with a maturity date of November 1, 2031, and
- increased the Revolving Credit Facility by \$150.0 to a total \$650.0 and extended the maturity to November 1, 2029.

The proceeds from the Incremental Term B Loans were primarily used to:

- redeem the \$440.0 of outstanding senior secured notes (see *7.625% Senior Secured Notes* below), and
- pay down \$200.0 of the term loans outstanding under the Credit Facility immediately prior to the Fourth Amendment (the "Existing Term B Loans").

Both the Existing Term B Loans and the Incremental Term B Loans bear interest at Term SOFR or ABR (each, as defined in the amended Credit Facility) plus (i) in the case of Term SOFR loans, 3.25% per annum and (ii) in the case of ABR loans, 2.25% per annum. Loans under the Revolving Credit Facility bear interest subject to a pricing grid based on net total leverage, at Term SOFR plus a spread ranging from 2.50% to 3.00% per annum or ABR plus a spread ranging from 1.50% to 2.00% per annum. Unused commitments under the Revolving Credit Facility incur initial commitment fees of 0.30% to 0.50%. Additionally, the interest rate margin applicable to the Existing Term B Loans and loans outstanding under the Revolving Credit Facility would be subject to an additional 0.25% step-down if a rating of B1/B+ or higher from Moody's and S&P is achieved (which will step back up if such rating is subsequently not maintained).

A portion of the Revolving Credit Facility not to exceed \$35.0 is available for the issuance of letters of credit. As of November 5, 2024, we had letters of credit outstanding of \$11.6 and an unused commitment balance of \$537.4 under the Revolving Credit Facility. The Credit Facility may be increased through incremental facilities, by an amount equal to the greater of (i) \$650.0 and (ii) 0.75 times trailing twelve-month Adjusted EBITDA, as defined in the Credit Facility, 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.

**7.625% Senior Secured Notes**

During fiscal 2020, the Company issued \$550.0 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 \$110.0 outstanding principal amount of the Notes.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
(in millions, except per share amounts; unaudited)

On November 1, 2024, using the proceeds from the Fourth Amendment to the Credit Facility discussed above, the Company redeemed the remaining \$440.0 outstanding principal amount of the Notes.

***Loss on debt refinancing***

***Term Loans*** — Immediately prior to the Fourth Amendment, the Company had \$35.1 of unamortized debt issuance discounts and debt issuance costs. In connection with the Fourth Amendment described above, certain lenders exited the syndicate and were replaced by new syndicate members. The term loans, in the aggregate, were increased, a portion of the term loan facility was deemed extinguished, and a portion was determined to be modified. As a result, \$4.1 of unamortized costs were written off and \$8.2 of new fees were expensed on the modified portion resulting in a total charge of \$12.3 included in loss on debt refinancing on the consolidated statements of comprehensive income. The remaining unamortized issuance discounts and new issuance discount and costs immediately subsequent to the refinancings were deferred and are amortized into interest expense, net over the remaining term of the Existing Term B Loans and the Incremental Term B Loans.

***Revolving Credit Facility*** — Immediately prior to the Fourth Amendment, the Company had \$3.8 of unamortized debt issuance costs. In connection with the Fourth Amendment described above, certain lenders exited the syndicate and were replaced by new syndicate members. The Revolving Credit Facility was increased in size, a portion of the Revolving Credit Facility was deemed extinguished, and a portion was determined to be modified. As a result, \$0.6 of unamortized costs were written off and included in loss on debt refinancing on the consolidated statements of comprehensive income. The remaining unamortized issuance discounts and new issuance costs immediately subsequent to the refinancings were deferred and are amortized into interest expense, net over the remaining term of the Credit Facility.

***The Notes*** — Immediately prior to paying down the Notes, the Company had \$2.3 of unamortized debt issuance costs. The Notes were deemed fully extinguished, and all such costs were included in loss on debt refinancing on the consolidated statements of comprehensive income.

***Restrictive covenants and debt compliance***

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. As of November 5, 2024, we believe we were in compliance with all agreements, including all related covenants, governing our outstanding debt.

***Interest expense***

The Company's weighted average effective interest rate on our total debt facilities was 9.3% and 10.3% for the nine months ended November 5, 2024 and October 29, 2023, respectively.

The following table sets forth our recorded interest expense, net for the periods presented:

|  | Nine Months Ended |                  |
|--|-------------------|------------------|
|  | November 5, 2024  | October 29, 2023 |
| Interest expense on debt                                   | \$ 88.3           | \$ 90.7          |
| Interest associated with swap agreements                   | —                 | (0.4)            |
| Amortization of debt issue discount and debt issuance cost | 8.4               | 8.6              |
| Interest expense on sale-leasebacks <sup>(1)</sup>         | 5.4               | —                |
| Interest income  | (0.4)             | (4.6)            |
| Capitalized interest                                       | (1.8)             | (1.8)            |
| Total interest expense, net                                | \$ 99.9           | \$ 92.5          |

<sup>(1)</sup> See discussion of sale-leaseback transaction at Note 3 to the unaudited consolidated financial statements.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
(in millions, except per share amounts; unaudited)

**Note 5: 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.

**Note 6: Stockholders' Equity and Share-Based Compensation**
**Share issuances and repurchases**

The Company treats shares withheld for tax purposes on behalf of our employees in connection with the vesting of time-based and performance-based restricted stock units as common stock repurchases because they reduce the number of shares that would have been issued upon vesting. These were immaterial for all periods presented.

Our Board of Directors has approved a share repurchase program with a total authorization limit of \$500.0. During the nine months ended November 5, 2024, the Company repurchased 2.04 million shares at an average of \$43.25 per share. The remaining dollar value of shares that may be repurchased under the program was \$112.0 as of November 5, 2024. Future decisions to 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.

**Share-based compensation**

Our compensation expense related to share-based compensation was as follows:

|                                     | Three Months Ended |                  | Nine Months Ended |                  |
|-------------------------------------|--------------------|------------------|-------------------|------------------|
|                                     | November 5, 2024   | October 29, 2023 | November 5, 2024  | October 29, 2023 |
| General and administrative expenses | \$ 2.8             | \$ 3.5           | \$ 9.1            | \$ 15.4          |

**Share-based awards**

Our share-based compensation award activity during the nine months ended November 5, 2024 was as follows:

|   | Options | Restricted Stock Units | Total   |
|---|---------|------------------------|---------|
| Outstanding at February 4, 2024             | 0.82    | 1.51                   | 2.33    |
| Granted                                     | 0.08    | 0.18                   | 0.26    |
| Exercised                                   | (0.17)  | n/a                    | (0.17)  |
| Performance adjusted units                  | n/a     | (0.06)                 | (0.06)  |
| RSUs vested                                 | n/a     | (0.08)                 | (0.08)  |
| Forfeited                                   | (0.06)  | (0.24)                 | (0.30)  |
| Outstanding at November 5, 2024             | 0.67    | 1.31                   | 1.98    |
| Remaining unrecognized compensation expense | \$ 2.9  | \$ 20.0                | \$ 22.9 |

The 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 performance-based awards with market conditions was determined using the Monte Carlo valuation model. The unrecognized expense will be substantially recognized by the end of fiscal 2027.

During the nine months ended November 5, 2024, the Company granted certain options and time-based and performance-based restricted stock units to employees and directors of the Company. These grants vest over a range of one year to five years. Certain of 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.

**DAVE & BUSTER'S ENTERTAINMENT, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**(in millions, except per share amounts; unaudited)**

**Note 7: Income Taxes**

The effective tax rate for the nine months ended November 5, 2024, was 19.9%, compared to 19.9% for the nine months ended October 29, 2023.

## **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 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 SEC on April 2, 2024. Amounts included in the following discussion, except for operating weeks and per share amounts, are rounded in millions.

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 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 April 2, 2024. 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.

### **Quarterly Financial Highlights**

- Third quarter revenue of \$453.0 million decreased 3.0% from the third quarter of 2023.
- Comparable store sales decreased 7.7% compared to the same calendar period in 2023. The same calendar period compares the 91 days of the third quarter from August 7, 2024 through November 5, 2024 to the 91 days of the prior year from August 9, 2023 through November 7, 2023. See further discussion of comparable store sales below at *Revenues*.
- Net loss totaled \$32.7 million, or \$0.84 per diluted share, compared with net loss of \$5.2 million, or \$0.12 per diluted share in the third quarter of 2023.
- Adjusted EBITDA of \$68.3 million decreased 16.3%, or \$13.3 million, from the third quarter of 2023.

### **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 “Dave & Buster’s” and “Main Event” brands. The core of our concept is to offer our customers quality dining and various forms of entertainment all in one location. Our entertainment offerings provide an extensive assortment of 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 young adults. 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 average 40,000 square feet and range in size between 16,000 and 70,000 square feet. Our Main Event stores average 54,000 square feet and range in size between 37,500 and 78,000 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, including:



**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 current fiscal year and excluding stores permanently closed or planned for closure during the current fiscal year. For fiscal 2024, our comparable store base consists of 195 stores, of which 146 are Dave & Buster's branded stores and 49 are Main Event branded stores.

**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. For the nine months ended November 5, 2024, we opened nine new stores (seven Dave & Buster's branded stores and two Main Event branded stores).

## **Non-GAAP Financial Measures**

In addition to the results provided in accordance with 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, Credit Adjusted EBITDA and Store Operating Income Before Depreciation and Amortization (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 titled 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 certain 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 do not directly relate to the ongoing operations of the currently underlying business of our stores and therefore complicate comparison of the underlying business between periods. Nevertheless, because of the limitations described above, management does not view Adjusted EBITDA, Credit 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***

We define "Adjusted EBITDA" as net income, plus interest expense, net, loss on debt refinancing, provision for (benefit from) income taxes, depreciation and amortization expense, (gain) loss on property and equipment transactions, impairment of long-lived assets, share-based compensation, currency transaction (gains) losses and other costs.

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.

### ***Credit Adjusted EBITDA***

We define "Credit Adjusted EBITDA" as net income plus certain items as defined at *Adjusted EBITDA* above, as well as certain other adjustments as defined in our Credit Facility (see *Liquidity and Capital Resources* below for additional discussion and reconciliation). These other adjustments include (i) increases in entertainment revenue deferrals, (ii) the cost of new projects, including store pre-opening costs, and (iii) other costs and adjustments as permitted by the debt agreements. We believe the presentation of Credit Adjusted EBITDA is appropriate as it provides additional information to investors about the calculation of, and compliance with, certain financial covenants in the Credit Facility.

### ***Store Operating Income Before Depreciation and Amortization***

We define "Store Operating Income Before Depreciation and Amortization" as operating income, plus depreciation and amortization expense, general and administrative expenses and pre-opening costs. Store Operating Income Before Depreciation and Amortization 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, loss on debt refinancing 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 have historically operated 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, except for 53-week fiscal years when the fourth quarter has 14 weeks. Fiscal 2023, which ended on February 4, 2024, followed this calendar and had 53 weeks. The first quarter of fiscal 2024 also followed this calendar and had 13 weeks.

On May 6, 2024, the first day of the second quarter of fiscal 2024, the Company changed its fiscal year to end on the Tuesday after the Monday closest to January 31<sup>st</sup>. The change was made to improve labor and operational efficiencies by ending the Company's periods outside of the busier weekend timeframe. As a result of this change, the second quarter and fiscal year 2024 have two additional days added to its normal 13-week quarter and 52-week year. The fourth quarter of fiscal 2024 will end on February 4, 2025.

All dollar amounts are presented in millions, unless otherwise noted, except per share amounts.

### **Store-Level Variability, Quarterly Fluctuations, Seasonality and Inflation**

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

Our new stores typically 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 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 will result in significant fluctuations in quarterly results.

New store operating margins (excluding pre-opening expenses) during the first year of operation historically 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.

Our operating results historically have fluctuated due to seasonal factors. Typically, we have higher revenues associated with the 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 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. 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, however, the effects of any supplier price increase or wage rate increases might be partially offset by selective price increases if competitively appropriate.

**Three Months Ended November 5, 2024 (the “third quarter of 2024”) Compared to the Three Months Ended October 29, 2023 (the “third quarter of 2023”)**

**Results of operations** — The following table sets forth selected data for the periods indicated. All information is derived from the accompanying unaudited consolidated statement of comprehensive income.

|   | <b>Three Months Ended</b>              |         |  |         |
|---|--|---------|--|---------|
|   | <b>November 5, 2024 <sup>(1)</sup></b> |         | <b>October 29, 2023 <sup>(1)</sup></b> |         |
| Entertainment revenues                        | \$ 294.6                               | 65.0 %  | \$ 302.0                               | 64.7 %  |
| Food and beverage revenues                    | 158.4                                  | 35.0 %  | 164.9                                  | 35.3 %  |
| Total revenues                                | 453.0                                  | 100.0 % | 466.9                                  | 100.0 % |
| Cost of entertainment <sup>(2)</sup>          | 25.1                                   | 8.5 %   | 30.5                                   | 10.1 %  |
| Cost of food and beverage <sup>(2)</sup>      | 42.7                                   | 27.0 %  | 45.9                                   | 27.8 %  |
| Total cost of products                        | 67.8                                   | 15.0 %  | 76.4                                   | 16.4 %  |
| Operating payroll and benefits                | 120.9                                  | 26.7 %  | 119.9                                  | 25.7 %  |
| Other store operating expenses <sup>(2)</sup> | 171.7                                  | 37.9 %  | 167.7                                  | 35.9 %  |
| General and administrative expenses           | 27.2                                   | 6.0 %   | 28.4                                   | 6.1 %   |
| Depreciation and amortization expenses        | 53.9                                   | 11.9 %  | 51.9                                   | 11.1 %  |
| Pre-opening costs                             | 5.2                                    | 1.1 %   | 4.0                                    | 0.9 %   |
| Total operating costs                         | 446.7                                  | 98.6 %  | 448.3                                  | 96.0 %  |
| Operating income                              | 6.3                                    | 1.4 %   | 18.6                                   | 4.0 %   |
| Interest expense, net                         | 32.9                                   | 7.3 %   | 28.9                                   | 6.2 %   |
| Loss on debt refinancing                      | 15.2                                   | 3.4 %   | —                                      | — %     |
| Loss before benefit from income taxes         | (41.8)                                 | (9.2)%  | (10.3)                                 | (2.2)%  |
| Benefit from income taxes                     | (9.1)                                  | (2.0)%  | (5.1)                                  | (1.1)%  |
| Net loss                                      | \$ (32.7)                              | (7.2)%  | \$ (5.2)                               | (1.1)%  |
| Company-owned stores at end of period         |  | 227     |  | 214     |

<sup>(1)</sup> All percentages are expressed as a percentage of total revenues for the respective period presented, except cost of entertainment, which is expressed as a percentage of entertainment revenues, and cost of food and beverage, which is expressed as a percentage of food and beverage revenues.

<sup>(2)</sup> We reclassified \$1.0 to cost of entertainment and \$2.6 to cost of food and beverage, respectively, from other store operating expenses for the third quarter of 2023 to be consistent with the presentation for the third quarter of 2024. We determined that reclassifying the expenses, which are primarily related to inventory items provided to customers during promotions and events, results in a clearer presentation of the cost of goods sold.

## Reconciliations of Non-GAAP Financial Measures

### Adjusted EBITDA

The following table reconciles Net loss to Adjusted EBITDA for the periods indicated:

|  | Three Months Ended              |        |                                 |    |       |        |
|--|---------------------------------|--------|---------------------------------|----|-------|--------|
|  | November 5, 2024 <sup>(5)</sup> |        | October 29, 2023 <sup>(5)</sup> |    |       |        |
| Net loss   | \$                              | (32.7) | (7.2)%                          | \$ | (5.2) | (1.1)% |
| Interest expense, net                            |                                 | 32.9   |                                 |    | 28.9  |        |
| Loss on debt refinancing                         |                                 | 15.2   |                                 |    | —     |        |
| Benefit from income taxes                        |                                 | (9.1)  |                                 |    | (5.1) |        |
| Depreciation and amortization expense            |                                 | 53.9   |                                 |    | 51.9  |        |
| Share-based compensation <sup>(1)</sup>          |                                 | 2.8    |                                 |    | 3.5   |        |
| Transaction and integration costs <sup>(2)</sup> |                                 | 0.4    |                                 |    | 1.6   |        |
| System implementation costs <sup>(3)</sup>       |                                 | 2.9    |                                 |    | 3.0   |        |
| Other items, net <sup>(4)</sup>                  |                                 | 2.0    |                                 |    | 3.0   |        |
| Adjusted EBITDA                                  | \$                              | 68.3   | 15.1 %                          | \$ | 81.6  | 17.5 % |

<sup>(1)</sup> Non-cash share-based compensation expense, net of forfeitures, recorded in general and administrative expenses on the consolidated statement of comprehensive income.

<sup>(2)</sup> Transaction and integration costs related to the acquisition and integration of Main Event recorded in general and administrative expenses on the consolidated statement of comprehensive income.

<sup>(3)</sup> System implementation costs represent expenses incurred related to the development of new enterprise resource planning, human capital management and inventory software for our stores and store support teams. These charges are primarily recorded in general and administrative expenses on the consolidated statement of comprehensive income.

<sup>(4)</sup> The amount for the third quarter of 2024 primarily consisted of \$1.3 million of one-time, third-party consulting fees, \$0.3 million of severance costs and a \$0.4 million gain on property and equipment transactions. The amount for the third quarter of 2023 primarily consisted of losses on property and equipment transactions. The third-party consulting fees are not part of our ongoing operations and were incurred to execute two related, discrete, and project-based strategic initiatives aimed at transforming our marketing strategy and one discrete, project-based initiative to transform our supply chain operational efficiency. They are included in general and administrative expenses on the consolidated statement of comprehensive income. The transformative nature, narrow scope, and limited duration of these incremental consulting fees are not reflective of the ordinary course expenses incurred to operate our business.

<sup>(5)</sup> All percentages are expressed as a percentage of total revenues for the respective period presented.

### Store Operating Income Before Depreciation and Amortization

The following table reconciles Operating income to Store Operating Income Before Depreciation and Amortization for the periods indicated:

|   | Three Months Ended              |      |                                 |    |       |        |
|---|---------------------------------|------|---------------------------------|----|-------|--------|
|   | November 5, 2024 <sup>(1)</sup> |      | October 29, 2023 <sup>(1)</sup> |    |       |        |
| Operating income  | \$                              | 6.3  | 1.4 %                           | \$ | 18.6  | 4.0 %  |
| General and administrative expenses                         |                                 | 27.2 |                                 |    | 28.4  |        |
| Depreciation and amortization expense                       |                                 | 53.9 |                                 |    | 51.9  |        |
| Pre-opening costs   |                                 | 5.2  |                                 |    | 4.0   |        |
| Store Operating Income Before Depreciation and Amortization | \$                              | 92.6 | 20.4 %                          | \$ | 102.9 | 22.0 % |

<sup>(1)</sup> All percentages are expressed as a percentage of total revenues for the respective period presented.

## Results of Operations

### Revenues

Total revenues for the third quarter of 2024 decreased \$13.9 million, or 3.0%, to \$453.0 million compared to \$466.9 million for the third quarter of 2023. Entertainment revenues for the third quarter of 2024 decreased by \$7.4 million, or 2.5%, to \$294.6 million from \$302.0 million in the third quarter of 2023. Food sales decreased by \$3.0 million, or 2.7%, to \$106.6 million in the third quarter of 2024 from \$109.6 million in the third quarter of 2023. Beverage sales decreased by \$3.5 million, or 6.3%, to \$51.8 million in the third quarter of 2024 from \$55.3 million in the third quarter of 2023.

Revenue mix by category, as a percentage of total revenues, for the periods indicated was as follows:

|                        | Three Months Ended |                  |
|------------------------|--------------------|------------------|
|                        | November 5, 2024   | October 29, 2023 |
| Entertainment revenues | 65.0 %             | 64.7 %           |
| Food revenues          | 23.5 %             | 23.5 %           |
| Beverage revenues      | 11.5 %             | 11.8 %           |

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

|   | Three Months Ended |                  |                  |
|---|--------------------|------------------|------------------|
|   | November 5, 2024   | October 29, 2023 | Change           |
| Comparable store revenues, on a fiscal calendar basis | \$ 383.2           | \$ 426.5         | \$ (43.3)        |
| Noncomparable store revenues <sup>(1)</sup>           | 57.0               | 41.1             | 15.9             |
| Changes in entertainment revenue deferrals            | 11.3               | (1.5)            | 12.8             |
| Other noncomparable revenues                          | 1.5                | 0.8              | 0.7              |
| <b>Total revenues</b>                                 | <b>\$ 453.0</b>    | <b>\$ 466.9</b>  | <b>\$ (13.9)</b> |
| Comparable store operating weeks                      | 2,535              | 2,535            | —                |
| Noncomparable store operating weeks <sup>(1)</sup>    | 431                | 239              | 192              |
| <b>Total store operating weeks</b>                    | <b>2,966</b>       | <b>2,774</b>     | <b>192</b>       |

<sup>(1)</sup> Our noncomparable store count includes two stores that were closed during the second quarter of 2024.

The decrease in revenue is primarily attributable to a \$43.3 million decrease in comparable store sales, partially offset by \$15.9 million of incremental sales from new stores, an increase in other noncomparable revenues of \$0.7 million, and \$12.8 million in changes in entertainment revenue deferrals. The decrease in comparable store revenues is due primarily to a reduction in demand relative to a more robust consumer environment in the prior year period. The changes in entertainment revenue deferrals reflect breakage on unredeemed game play credits and tickets corresponding to guest redemption patterns over time. See *Revenue Recognition* at Note 1 to the unaudited consolidated financial statements for discussion of revenue recognition associated with play credits and tickets.

The \$43.3 million, or 10.2%, comparable store revenue decrease presented in the table above is on a fiscal period basis. Due to the 53rd week in fiscal 2023, the third quarter of 2024 ended one week later than the third quarter of 2023. Comparable store revenues based on the same calendar period adjusts for these impacts and compares the 91-day period from August 7, 2024 through November 5, 2024 to the 91-day period from August 9, 2023 through November 7, 2023. Comparable store revenues based on the same calendar period decreased 7.7%.

### Cost of products

The total cost of products was \$67.8 million for the third quarter of 2024 compared to \$76.4 million for the third quarter of 2023. The total cost of products as a percentage of total revenues decreased to 15.0% for the third quarter of 2024 compared to 16.4% for the third quarter of 2023.

Cost of entertainment was \$25.1 million in the third quarter of 2024 compared to \$30.5 million in the third quarter of 2023. The cost of entertainment, as a percentage of entertainment revenues, decreased to 8.5% for the third quarter of 2024 from 10.1% in the third quarter of 2023. The decrease was primarily attributable to price increases.

Cost of food and beverage products was \$42.7 million for the third quarter of 2024 compared to \$45.9 million for the third quarter of 2023. Cost of food and beverage products, as a percentage of food and beverage revenues, decreased to 27.0% for the third quarter of 2024 from 27.8% for the third quarter of 2023. The decrease was primarily attributable to food and beverage menu price increases, continued supply chain and ingredient optimization, and the mix of products sold with our new menu.

#### ***Operating payroll and benefits***

Total operating payroll and benefits was \$120.9 million in the third quarter of 2024 compared to \$119.9 million in the third quarter of 2023. The total cost of operating payroll and benefits as a percentage of total revenues was 26.7% in the third quarter of 2024 compared to 25.7% in the third quarter of 2023. This increase is primarily due to additional stores in the current year and employee retention tax credits recognized in the prior year, partially offset by labor management efficiencies.

#### ***Other store operating expenses***

Other store operating expenses was \$171.7 million in the third quarter of 2024 compared to \$167.7 million in the third quarter of 2023. Other store operating expense as a percentage of total revenues increased to 37.9% in the third quarter of 2024 compared to 35.9% in the third quarter of 2023. The increase is primarily due to higher occupancy costs for new stores and repairs & maintenance costs.

#### ***General and administrative expenses***

General and administrative expenses decreased to \$27.2 million in the third quarter of 2024 compared to \$28.4 million in the third quarter of 2023. The decrease in general and administrative expenses was driven primarily by lower share-based and incentive compensation in the current year, partially offset by increased consulting and other costs related to discrete, one-time initiatives. General and administrative expenses as a percentage of total revenues decreased to 6.0% in the third quarter of 2024 compared to 6.1% in the third quarter of 2023 for the same reasons.

#### ***Depreciation and amortization expense***

Depreciation and amortization expense increased to \$53.9 million in the third quarter of 2024 compared to \$51.9 million in the third quarter of 2023, primarily due to new store openings and store remodels.

#### ***Pre-opening costs***

Pre-opening costs of \$5.2 million in the third quarter of 2024 increased to \$4.0 million in the third quarter of 2023 due to the timing of costs in our pipeline of new stores for each period.

#### ***Interest expense, net***

Interest expense, net increased to \$32.9 million in the third quarter of 2024 compared to \$28.9 million in the third quarter of 2023 due primarily to a decrease in interest income and incremental interest expense associated with sale-leaseback transactions and borrowings outstanding under our Credit Agreement, partially offset by a decrease in interest rates on our Credit Facility. See further discussion of the Company's debt activity and failed sale-leaseback transaction at Note 4 and Note 3, respectively, to the unaudited consolidated financial statements.

#### ***Loss on debt refinancing***

Loss on debt refinancing was \$15.2 million in the third quarter of 2024 as a result of an amendment to our Credit Facility. See further discussion at Note 4 to the unaudited consolidated financial statements.

#### ***Benefit from income taxes***

The effective tax rate for the third quarter of 2024 was 21.8%, compared to 49.5% for the third quarter of 2023. The third quarter of 2024 year tax provision included lower excess tax benefits associated with share-based compensation and higher permanent differences compared to the third quarter of 2023.

**Nine Months Ended November 5, 2024 (the “2024 period”) Compared to the Nine Months Ended October 29, 2023 (the “2023 period”)**
**Results of operations**

The following table sets forth selected data for the periods indicated. All information is derived from the accompanying consolidated statement of comprehensive income.

|   | Nine Months Ended               |         |                                 |         |
|---|---------------------------------|---------|---------------------------------|---------|
|   | November 5, 2024 <sup>(1)</sup> |         | October 29, 2023 <sup>(1)</sup> |         |
| Entertainment revenues                        | \$ 1,056.0                      | 66.1 %  | \$ 1,055.9                      | 65.7 %  |
| Food and beverage revenues                    | 542.2                           | 33.9 %  | 550.4                           | 34.3 %  |
| Total revenues                                | 1,598.2                         | 100.0 % | 1,606.3                         | 100.0 % |
| Cost of entertainment <sup>(2)</sup>          | 91.2                            | 8.6 %   | 101.0                           | 9.6 %   |
| Cost of food and beverage <sup>(2)</sup>      | 145.7                           | 26.9 %  | 156.8                           | 28.5 %  |
| Total cost of products                        | 236.9                           | 14.8 %  | 257.8                           | 16.0 %  |
| Operating payroll and benefits                | 393.7                           | 24.6 %  | 377.5                           | 23.5 %  |
| Other store operating expenses <sup>(2)</sup> | 515.4                           | 32.2 %  | 499.3                           | 31.1 %  |
| General and administrative expenses           | 89.1                            | 5.6 %   | 92.0                            | 5.7 %   |
| Depreciation and amortization expenses        | 174.2                           | 10.9 %  | 149.9                           | 9.3 %   |
| Pre-opening costs                             | 12.6                            | 0.8 %   | 12.7                            | 0.8 %   |
| Total operating costs                         | 1,421.9                         | 89.0 %  | 1,389.2                         | 86.5 %  |
| Operating income                              | 176.3                           | 11.0 %  | 217.1                           | 13.5 %  |
| Interest expense, net                         | 99.9                            | 6.3 %   | 92.5                            | 5.8 %   |
| Loss on debt refinancing                      | 15.2                            | 1.0 %   | 11.2                            | 0.7 %   |
| Income before provision for income taxes      | 61.2                            | 3.8 %   | 113.4                           | 7.1 %   |
| Provision for income taxes                    | 12.2                            | 0.8 %   | 22.6                            | 1.4 %   |
| Net income                                    | \$ 49.0                         | 3.1 %   | \$ 90.8                         | 5.7 %   |
| Company-owned stores at end of period         |                                 | 227     |                                 | 214     |

<sup>(1)</sup> All percentages are expressed as a percentage of total revenues for the respective period presented, except cost of entertainment, which is expressed as a percentage of entertainment revenues, and cost of food and beverage, which is expressed as a percentage of food and beverage revenues.

<sup>(2)</sup> We reclassified \$2.8 to cost of entertainment and \$8.3 to cost of food and beverage, respectively, from other store operating expenses for the 2023 period to be consistent with the presentation for the 2024 period. We determined that reclassifying the expenses, which are primarily related to inventory items provided to customers during promotions and events, results in a clearer presentation of the cost of goods sold.

## Reconciliations of Non-GAAP Financial Measures

### Adjusted EBITDA

The following table reconciles Net income to Adjusted EBITDA for the periods indicated:

|  | Nine Months Ended               |       |                                 |    |       |        |
|--|---------------------------------|-------|---------------------------------|----|-------|--------|
|  | November 5, 2024 <sup>(5)</sup> |       | October 29, 2023 <sup>(5)</sup> |    |       |        |
| Net income                                       | \$                              | 49.0  | 3.1 %                           | \$ | 90.8  | 5.7 %  |
| Interest expense, net                            |                                 | 99.9  |                                 |    | 92.5  |        |
| Loss on debt refinancing                         |                                 | 15.2  |                                 |    | 11.2  |        |
| Provision for income taxes                       |                                 | 12.2  |                                 |    | 22.6  |        |
| Depreciation and amortization expense            |                                 | 174.2 |                                 |    | 149.9 |        |
| Share-based compensation <sup>(1)</sup>          |                                 | 9.1   |                                 |    | 15.4  |        |
| Transaction and integration costs <sup>(2)</sup> |                                 | 1.4   |                                 |    | 9.6   |        |
| System implementation costs <sup>(3)</sup>       |                                 | 9.5   |                                 |    | 6.2   |        |
| Other items, net <sup>(4)</sup>                  |                                 | 8.5   |                                 |    | 5.7   |        |
| Adjusted EBITDA                                  | \$                              | 379.0 | 23.7 %                          | \$ | 403.9 | 25.1 % |

<sup>(1)</sup> Non-cash share-based compensation expense, net of forfeitures, recorded in general and administrative expenses on the consolidated statement of comprehensive income.

<sup>(2)</sup> Transaction and integration costs related to the acquisition and integration of Main Event recorded in general and administrative expenses on the consolidated statement of comprehensive income.

<sup>(3)</sup> System implementation costs represent expenses incurred related to the development of new enterprise resource planning, human capital management and inventory software for our stores and store support teams. These charges are primarily recorded in general and administrative expenses on the consolidated statement of comprehensive income.

<sup>(4)</sup> The amount for the 2024 period primarily consisted of \$10.3 million of one-time, third-party consulting fees, \$1.2 million of severance costs and a \$3.0 million gain on property and equipment transactions. The amount for the 2023 period primarily consisted of \$2.0 million of one-time, third-party consulting fees, a \$1.7 million impairment charge related to assets removed from service and a \$1.6 million loss on property and equipment transactions. The third-party consulting fees are not part of our ongoing operations and were incurred to execute two related, discrete, and project-based strategic initiatives aimed at transforming our marketing strategy, and one discrete, project-based initiative to transform our supply chain operational efficiency. They are included in general and administrative expenses on the consolidated statement of comprehensive income. The transformative nature, narrow scope, and limited duration of these incremental consulting fees are not reflective of the ordinary course expenses incurred to operate our business.

<sup>(5)</sup> All percentages are expressed as a percentage of total revenues for the respective period presented.

### Store Operating Income Before Depreciation and Amortization

The following table reconciles Operating income to Store Operating Income Before Depreciation and Amortization for the periods indicated:

|   | Nine Months Ended               |       |                                 |    |       |        |
|---|---------------------------------|-------|---------------------------------|----|-------|--------|
|   | November 5, 2024 <sup>(1)</sup> |       | October 29, 2023 <sup>(1)</sup> |    |       |        |
| Operating income  | \$                              | 176.3 | 11.0 %                          | \$ | 217.1 | 13.5 % |
| General and administrative expenses                         |                                 | 89.1  |                                 |    | 92.0  |        |
| Depreciation and amortization expense                       |                                 | 174.2 |                                 |    | 149.9 |        |
| Pre-opening costs   |                                 | 12.6  |                                 |    | 12.7  |        |
| Store Operating Income Before Depreciation and Amortization | \$                              | 452.2 | 28.3 %                          | \$ | 471.7 | 29.4 % |

<sup>(1)</sup> All percentages are expressed as a percentage of total revenues for the respective period presented.



## Results of Operations

### Revenues

Total revenues for the 2024 period decreased \$8.1 million, or 0.5%, to \$1,598.2 million compared to \$1,606.3 million for the 2023 period. Entertainment revenues for the 2024 period increased by \$0.1 million to 1,056.0 from \$1,055.9 million in the 2023 period. Food sales decreased by \$0.4 million, or 0.1%, to \$370.4 million in the 2024 period from \$370.8 million in the 2023 period. Beverage sales decreased by \$7.8 million, or 4.3%, to \$171.8 million in the 2024 period from \$179.6 million in the 2023 period.

Revenue mix by category, as a percentage of total revenues, for the periods indicated was as follows:

|                        | Nine Months Ended |                  |
|------------------------|-------------------|------------------|
|                        | November 5, 2024  | October 29, 2023 |
| Entertainment revenues | 66.1 %            | 65.7 %           |
| Food revenues          | 23.2 %            | 23.1 %           |
| Beverage revenues      | 10.7 %            | 11.2 %           |

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

|  | Nine Months Ended |                  |            |
|--|-------------------|------------------|------------|
|  | November 5, 2024  | October 29, 2023 | Change     |
| Comparable store revenues, on a fiscal calendar basis <sup>(1)</sup> | \$ 1,389.2        | \$ 1,490.3       | \$ (101.1) |
| Noncomparable store revenues <sup>(1)(2)</sup>                       | 189.8             | 118.1            | 71.7       |
| Changes in entertainment revenue deferrals                           | 17.5              | (6.5)            | 24.0       |
| Other noncomparable revenues   | 1.7               | 4.4              | (2.7)      |
| Total revenues   | \$ 1,598.2        | \$ 1,606.3       | \$ (8.1)   |
| Comparable store operating weeks <sup>(1)</sup>                      | 7,661             | 7,605            | 56         |
| Noncomparable store operating weeks <sup>(1)(2)</sup>                | 1,182             | 587              | 595        |
| Total store operating weeks  | 8,843             | 8,192            | 651        |

<sup>(1)</sup> During the 2024 period we adjusted our period close from Sunday to Tuesday of each week (see further discussion at Note 1). This adjustment had the effect of adding 56 store operating weeks for our comparable stores and nine weeks for our noncomparable stores for the 2024 period.

<sup>(2)</sup> Our noncomparable store count includes two stores that were closed during the 2024 period.

The decrease in revenue is primarily attributable to a \$101.1 million decrease in comparable store sales and a decrease of \$2.7 million in other noncomparable revenues, partially offset by \$71.7 million of incremental sales from new stores and \$24.0 million in changes in deferred entertainment revenue. The decrease in comparable store revenues is due primarily to a reduction in demand relative to a more robust consumer environment in the prior year period. The changes in entertainment revenue deferrals reflect breakage on unredeemed game play credits and tickets corresponding to guest redemption patterns over time. See *Revenue Recognition* at Note 1 to the unaudited consolidated financial statements for discussion of revenue recognition associated with play credits and tickets.

The \$101.1 million, or 6.8%, comparable store revenue decrease presented in the table above is on a fiscal period basis. Due to the 53rd week in fiscal 2023, the 2024 period ended approximately one week later than the 2023 period. Additionally, the 2024 period includes two additional days of revenue due to the adjusted calendar discussed in the footnote to the table above. Comparable store revenues based on the same calendar period adjusts for this shift in weeks and compares the period from February 5, 2024 through November 5, 2024 to the period from February 6, 2023 through November 7, 2023. Comparable store revenues based on the same calendar period decreased 6.4%.

### Cost of products

The total cost of products was \$236.9 million for the 2024 period and \$257.8 million for the 2023 period. The total cost of products as a percentage of total revenues decreased to 14.8% for the 2024 period compared to 16.0% for the 2023 period.

Cost of entertainment decreased to \$91.2 million in the 2024 period compared to \$101.0 million in the 2023 period. The cost of entertainment, as a percentage of entertainment revenues, decreased to 8.6% for the 2024 period from 9.6% in the 2023 period. The decrease was primarily attributable to price increases.

Cost of food and beverage products decreased to \$145.7 million for the 2024 period compared to \$156.8 million for the 2023 period. Cost of food and beverage products, as a percentage of food and beverage revenues, decreased to 26.9% for the 2024 period from 28.5% for the 2023 period. The decrease was primarily attributable to food and beverage menu price increases, continued supply chain and ingredient optimization, and the mix of products sold with our new menu, partially offset by promotional pricing to drive traffic and loyalty engagement.

#### ***Operating payroll and benefits***

Total operating payroll and benefits increased to \$393.7 million in the 2024 period compared to \$377.5 million in the 2023 period. The total cost of operating payroll and benefits as a percentage of total revenues was 24.6% in the 2024 period compared to 23.5% in the 2023 period. This increase is primarily due to additional stores in the current year and \$9.6 million in employee retention tax credits recognized in the prior year, partially offset by labor management efficiencies.

#### ***Other store operating expenses***

Other store operating expenses increased to \$515.4 million in the 2024 period compared to \$499.3 million in the 2023 period. The increase is primarily due to higher occupancy and utilities costs related to new store openings, marketing costs, and IT costs related to newly implemented store and enterprise technology systems, partially offset by gains on asset disposals and lease terminations and favorable self-insurance experience rates. Other store operating expense as a percentage of total revenues increased to 32.2% in the 2024 period compared to 31.1% in the 2023 period. This increase as a percentage of total revenues was due primarily to the reasons above.

#### ***General and administrative expenses***

General and administrative expenses decreased to \$89.1 million in the 2024 period compared to \$92.0 million in the 2023 period. The decrease in general and administrative expenses was driven primarily by lower share-based and incentive compensation in the current year, partially offset by increased consulting and other costs related to discrete, one-time initiatives. General and administrative expenses as a percentage of total revenues decreased to 5.6% in the 2024 period compared to 5.7% in the 2023 period due primarily to the reasons noted above.

#### ***Depreciation and amortization expense***

Depreciation and amortization expense increased to \$174.2 million in the 2024 period compared to \$149.9 million in the 2023 period, primarily due to new store openings and remodels and the acceleration of depreciation for two store closures.

#### ***Pre-opening costs***

Pre-opening costs of \$12.6 million in the 2024 period was comparable to \$12.7 million in the 2023 period primarily due to the similar cadence of new store openings.

#### ***Loss on debt refinancing***

Loss on debt refinancing was \$15.2 million in the 2024 period and \$11.2 million in the 2023 period as a result of amendments to our Credit Facility in the respective periods. See further discussion at Note 4 to the unaudited consolidated financial statements.

#### ***Interest expense, net***

Interest expense, net increased to \$99.9 million in the 2024 period compared to \$92.5 million in the 2023 period due primarily to incremental interest expense associated with sale-leaseback transactions and borrowings outstanding under our Credit Agreement, partially offset by a decrease in interest rates on our Credit Facility. See further discussion of the Company's debt activity and failed sale-leaseback transaction at Note 4 and Note 3, respectively, to the unaudited consolidated financial statements.

#### ***Provision for income taxes***

The effective tax rate for the 2024 period was 19.9%, compared to 19.9% for the 2023 period.

## Liquidity and Capital Resources

### *Credit Facility*

The Company has a senior secured credit agreement (the "Credit Facility") including a revolving credit facility (the "Revolving Credit Facility") and a term loan facility (together with the Revolving Credit Facility, the "Credit Facility"). On November 1, 2024, D&B Inc. entered into an amendment with its banking syndicate, which amended the Credit Facility (the "Fourth Amendment"). For discussion of prior amendments, see Note 7 to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended February 4, 2024.

The Fourth Amendment, among other things:

- provides for a new tranche of term loans in an aggregate principal amount of \$700.0 (the "Incremental Term B Loans") with a maturity date of November 1, 2031, and
- increased the Revolving Credit Facility by \$150.0 to a total \$650.0 and extended the maturity to November 1, 2029.

The proceeds from the Incremental Term B Loans were primarily used to:

- redeem the \$440.0 of outstanding senior secured notes (see *7.625% Senior Secured Notes* below), and
- pay down \$200.0 of the term loans outstanding under the Credit Facility immediately prior to the Fourth Amendment (the "Existing Term B Loans").

Both the Existing Term B Loans and the Incremental Term B Loans bear interest at Term SOFR or ABR (each, as defined in the amended Credit Facility) plus (i) in the case of Term SOFR loans, 3.25% per annum and (ii) in the case of ABR loans, 2.25% per annum. Loans under the Revolving Credit Facility bear interest subject to a pricing grid based on net total leverage, at Term SOFR plus a spread ranging from 2.50% to 3.00% per annum or ABR plus a spread ranging from 1.50% to 2.00% per annum. Unused commitments under the Revolving Credit Facility incur initial commitment fees of 0.30% to 0.50%. Additionally, the interest rate margin applicable to the Existing Term B Loans and loans outstanding under the Revolving Credit Facility would be subject to an additional 0.25% step-down if a rating of B1/B+ or higher from Moody's and S&P is achieved (which will step back up if such rating is subsequently not maintained).

A portion of the Revolving Credit Facility not to exceed \$35.0 is available for the issuance of letters of credit. As of November 5, 2024, we had letters of credit outstanding of \$11.6 and an unused commitment balance of \$537.4 under the Revolving Credit Facility. The Credit Facility may be increased through incremental facilities, by an amount equal to the greater of (i) \$650.0 and (ii) 0.75 times trailing twelve-month Adjusted EBITDA, as defined in the Credit Facility, 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.

### *7.625% Senior Secured Notes*

During fiscal 2020, the Company issued \$550.0 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 \$110.0 outstanding principal amount of the Notes.

On November 1, 2024, using the proceeds from the Fourth Amendment to the Credit Facility discussed above, the Company redeemed the remaining \$440.0 outstanding principal amount of the Notes.

### *Loss on debt refinancing*

*Term Loans* — Immediately prior to the Fourth Amendment, the Company had \$35.1 of unamortized debt issuance discounts and debt issuance costs. In connection with the Fourth Amendment described above, certain lenders exited the syndicate and were replaced by new syndicate members. The term loans, in the aggregate, were increased, a portion of the term loan facility was deemed extinguished, and a portion was determined to be modified. As a result, \$4.1 of unamortized costs were written off and \$8.2 of new fees were expensed on the modified portion resulting in a total charge of \$12.3 included in loss on debt refinancing on the consolidated statements of comprehensive income. The remaining unamortized issuance discounts and new issuance discount and costs immediately subsequent to the refinancings were deferred and are

amortized into interest expense, net over the remaining term of the Existing Term B Loans and the Incremental Term B Loans.

*Revolving Credit Facility* — Immediately prior to the Fourth Amendment, the Company had \$3.8 of unamortized debt issuance costs. In connection with the Fourth Amendment described above, certain lenders exited the syndicate and were replaced by new syndicate members. The Revolving Credit Facility was increased in size, a portion of the Revolving Credit Facility was deemed extinguished, and a portion was determined to be modified. As a result, \$0.6 of unamortized costs were written off and included in loss on debt refinancing on the consolidated statements of comprehensive income. The remaining unamortized issuance discounts and new issuance costs immediately subsequent to the refinancings were deferred and are amortized into interest expense, net over the remaining term of the Credit Facility.

*The Notes* — Immediately prior to paying down the Notes, the Company had \$2.3 of unamortized debt issuance costs. The Notes were deemed fully extinguished, and all such costs were included in loss on debt refinancing on the consolidated statements of comprehensive income.

#### ***Sale-leaseback transactions***

In July 2024, the Company entered into a sale and master lease agreement (a "sale-leaseback") with an unrelated third party. Under this agreement, the Company sold two of its store properties, including land, buildings and certain improvements, at a sale price of \$44.8 and then leased the assets back through the sale-leaseback transaction.

In September 2024, the Company entered into a sale-leaseback with an unrelated third party. Under this agreement, the Company sold one of its store properties, including land, buildings and certain improvements, at a sale price of \$28.5 and then leased the assets back through the sale-leaseback transaction.

These transactions were accounted for as failed sale-leasebacks based on GAAP under ASC 842, *Leases*. As a result, the store property assets remain on the consolidated balance sheet at their historical net book value and are depreciated over the remaining term of the applicable master lease. Financing liabilities were recognized in the amount of the proceeds received, net of certain transactions costs, in the amount of \$44.3 and \$28.0 related to the July 2024 and September 2024 transactions, respectively. The Company will not recognize rent expense related to the leased assets. Instead, monthly rent payments under the applicable master lease agreement (initially, \$3.6 and \$2.1 per year related to the July 2024 and September 2024 transactions, respectively) will be recorded as interest expense and a reduction of the outstanding liability.

As of November 5, 2024, including the transactions noted above, the Company had financing liabilities related to seven properties. The current outstanding liability of \$0.3 is included in accrued liabilities and the long-term outstanding liability of \$155.0 is included in other long-term liabilities on the consolidated balance sheet.

#### ***Interest expense***

The following table sets forth our recorded interest expense, net for the periods presented:

|  | Three Months Ended |                  | Nine Months Ended |                  |
|--|--------------------|------------------|-------------------|------------------|
|  | November 5, 2024   | October 29, 2023 | November 5, 2024  | October 29, 2023 |
| Interest expense on debt                                   | \$ 28.5            | \$ 30.0          | \$ 88.3           | \$ 90.7          |
| Interest associated with swap agreements                   | —                  | (0.2)            | —                 | (0.4)            |
| Amortization of debt issue discount and debt issuance cost | 2.8                | 2.6              | 8.4               | 8.6              |
| Interest expense on sale-leasebacks <sup>(1)</sup>         | 2.5                | —                | 5.4               | —                |
| Interest income  | (0.1)              | (2.9)            | (0.4)             | (4.6)            |
| Capitalized interest                                       | (0.8)              | (0.6)            | (1.8)             | (1.8)            |
| Total interest expense, net                                | \$ 32.9            | \$ 28.9          | \$ 99.9           | \$ 92.5          |

<sup>(1)</sup> See discussion of sale-leaseback transactions at Note 3 to the unaudited consolidated financial statements.

**Credit Adjusted EBITDA and Net Total Leverage Ratio.**

Credit Adjusted EBITDA, a non-GAAP measure, represents net income plus certain items as defined at *Adjusted EBITDA* at *Non-GAAP Financial Measures* above, as well as certain other adjustments as defined in our Credit Facility. The following table reconciles Net income to Credit Adjusted EBITDA, as defined in our Credit Facility for the period indicated:

|  | Trailing Four Quarters<br>Ended<br>November 5, 2024 |
|--|---|
| Net income                                       | \$85.1  |
| Add back:  |   |
| Interest expense, net                            | 134.8   |
| Loss on debt refinancing                         | 20.1  |
| Provision for income taxes                       | 25.8  |
| Depreciation and amortization expense            | 232.8   |
| Share-based compensation <sup>(1)</sup>          | 9.7   |
| Transaction and integration costs <sup>(2)</sup> | 2.9   |
| System implementation costs <sup>(3)</sup>       | 12.7  |
| Pre-opening costs <sup>(4)</sup>                 | 18.3  |
| Other items, net <sup>(5)</sup>                  | 6.8   |
| Credit Adjusted EBITDA, a non-GAAP measure       | <u>\$549.0</u>                                      |

<sup>(1)</sup> Non-cash share-based compensation expense, net of forfeitures, recorded in general and administrative expenses on the consolidated comprehensive income statement.

<sup>(2)</sup> Transaction and integration costs related to the acquisition and integration of Main Event recorded in general and administrative expenses on the consolidated comprehensive income statement.

<sup>(3)</sup> System implementation costs represent expenses incurred related to the development and launch of new enterprise resource planning, human capital management and inventory software for our stores and store support teams. These charges are primarily recorded in general and administrative expenses on the consolidated comprehensive income statement.

<sup>(4)</sup> Represents costs incurred, primarily consisting of occupancy and payroll related expenses, associated with the opening of new stores. These costs are considered a "cost of new projects" as defined in our Credit Facility.

<sup>(5)</sup> Amount primarily consists of one-time, third-party consulting fees, severance costs and (gain) loss on property and equipment transactions. The third-party consulting fees are not part of our ongoing operations and were incurred to execute two related, discrete, and project-based strategic initiatives aimed at transforming our marketing strategy, which are included in general and administrative expenses on the consolidated statement of comprehensive income. The transformative nature, narrow scope, and limited duration of these incremental consulting fees are not reflective of the ordinary course expenses incurred to operate our business.

The Company's maximum permitted Net Total Leverage Ratio, as defined in our Credit Facility, is 3.5x. The following table calculates Net Total Leverage Ratio as of and for the period indicated:

|                                    | <b>As of, and for the Trailing<br/>Four Quarters Ended<br/>November 5, 2024</b> |
|------------------------------------|---|
| Credit Adjusted EBITDA (a)         | \$549.0   |
| Total debt <sup>(1)</sup>          | \$1,451.8   |
| Less: Cash and cash equivalents    | \$(8.6)   |
| Add: Outstanding letters of credit | \$11.6  |
| Net debt (b)                       | \$1,454.8   |
| Net Total Leverage Ratio (b / a)   | 2.6 x   |

<sup>(1)</sup> Amount represents the face amount of debt outstanding, net of unamortized debt issuance costs and debt discount.

### ***Dividends and Share Repurchases***

Our Board of Directors has approved a share repurchase program with a total authorization limit of \$500.0 million. During the 2024 period, the Company repurchased 2.04 million shares for a total of \$88.0 million representing 5.1% of the shares issued and outstanding as of February 4, 2024. The remaining dollar value of shares that may be repurchased under the program is \$112.0 million as of November 5, 2024.

There were no dividends declared or paid during the 2024 period. 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, compliance with debt agreements and other factors that the Board of Directors considers relevant.

### ***Cash and Cash Equivalents***

As of November 5, 2024, the Company had cash and cash equivalents of \$8.6 million. 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 non-current 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 and available borrowings under our Revolving Credit Facility, 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.

### ***Cash Flow Activity***

***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, team member compensation, occupancy, and other operating 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 decreased to \$203.4 million for the 2024 period compared to \$267.0 million for the 2023 period. The decrease was primarily driven by a decrease in net income and the timing of changes in working capital.

***Investing Activities*** — Cash flow used in investing increased to \$359.9 million for the 2024 period from \$207.2 million for the 2023 period primarily due to an increase in capital expenditures related to store remodels and new store openings.

The table below reflects accrual-based capital additions. Capital additions do not include any reductions for accrual-based leasehold improvement incentives (“Payments from landlords”).

|                                | Nine Months Ended |                  |
|--------------------------------|-------------------|------------------|
|                                | November 5, 2024  | October 29, 2023 |
| New stores                     | \$ 155.6          | \$ 132.5         |
| Remodels and other initiatives | 148.9             | 23.7             |
| Games                          | 15.2              | 13.5             |
| Maintenance                    | 44.3              | 45.8             |
| Total capital additions        | \$ 364.0          | \$ 215.5         |
| Payments from landlords        | \$ 16.3           | \$ 13.1          |

**Financing Activities** — Cash flow from financing was \$127.8 million in the 2024 period primarily consisting of net debt proceeds, proceeds from sale leaseback transactions and proceeds from stock option exercises, partially offset by share repurchases. Cash flow used in financing activities of \$177.4 million in the 2023 period primarily consisted of share repurchases, partially offset by net debt proceeds.

#### **Contractual Obligations and Commitments**

Other than the debt refinancing activity discussed at Note 4 to the unaudited consolidated financial statements, there have been no material changes to our contractual obligations as reported on Form 10-K for the year ended February 4, 2024.

#### **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 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. A complete description of our critical accounting policies and estimates is included in our annual consolidated financial statements and the related notes in our Annual Report on Form 10-K for the fiscal year ended February 4, 2024.

#### **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**

The Credit Facility, discussed further at Note 4 to the unaudited consolidated financial statements, is based on variable interest rates. As of November 5, 2024, the Company had \$101.0 million outstanding on its revolving facility and an outstanding balance of \$1,391.0 million on its term loan facility. The impact on our annual results of operations of a hypothetical one percentage point interest rate change on the outstanding balance of the credit facility as of November 5, 2024 would be approximately \$14.9 million.

### ***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 Exchange Act 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.

### ***Changes in Internal Control Over Financial Reporting***

In fiscal 2023, we began the implementation of a new enterprise resource planning system (“ERP”) to align processes across the organization, enhance operational efficiency, and provide timely information to the Company’s management team related to the operation of the business.

During the second quarter of 2024, we substantially completed the implementation of the ERP, which also included new financial management, inventory management, payroll and human capital management systems. The implementation of these systems resulted in material changes to our internal controls. The Company updated our internal controls to reflect changes to the financial reporting business processes impacted by the implementation and will continue to monitor the impact of the implementation on our financial reporting business processes.

There were no other 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 third quarter ended November 5, 2024.



**PART II – OTHER INFORMATION****Item 1. Legal Proceedings**

Information regarding legal proceedings is incorporated by reference from Note 5 to our unaudited consolidated financial statements set forth in Part I of this report.

**Item 1A. Risk Factors**

See discussion in “Risk Factors” in Item 1A of the Company's Annual Report on Form 10-K for the year ended February 4, 2024.

**Item 2. Unregistered Sales of Equity Securities**

Information regarding repurchase of our common stock during the nine months ended November 5, 2024:

| Period <sup>(1)</sup>                | Total Number of Shares Repurchased <sup>(2)</sup><br>(in millions) | Average Price Paid per Share <sup>(2)</sup> | Total Number of Shares Repurchased as Part of Publicly Announced Plans <sup>(2)(3)</sup><br>(in millions) | Approximate Dollar Value of Shares That May Yet Be Repurchased Under the Plans <sup>(4)</sup><br>(in millions) |
|--------------------------------------|--|---|---|--|
| February 5, 2024 to March 3, 2024    | —  | \$ —  | —   | \$ 200.0   |
| March 4, 2024 to April 7, 2024       | —  | \$ —  | —   | \$ 200.0   |
| April 8, 2024 to May 5, 2024         | 0.18   | \$ 52.97                                    | 0.18  | \$ 190.2   |
| May 6, 2024 to June 4, 2024          | 0.65   | \$ 51.24                                    | 0.84  | \$ 156.8   |
| June 5, 2024 to July 9, 2024         | 0.29   | \$ 44.27                                    | 1.13  | \$ 144.0   |
| July 10, 2024 to August 6, 2024      | 0.10   | \$ 38.55                                    | 1.23  | \$ 140.0   |
| August 7, 2024 to September 3, 2024  | —  | \$ —  | 1.23  | \$ 140.0   |
| September 4, 2024 to October 8, 2024 | —  | \$ —  | 1.23  | \$ 140.0   |
| October 9, 2024 to November 5, 2024  | 0.81   | \$ 34.77                                    | 2.04  | \$ 112.0   |

<sup>(1)</sup> The Company uses a "4-5-4" calendar to determine the months in each quarter. The periods presented represent the 4-week and 5-week periods making up the nine months ended November 5, 2024.

<sup>(2)</sup> Represents cumulative shares repurchased under repurchase programs. Excludes shares withheld for tax purposes on behalf of our employees in connection with the vesting of time-based and performance-based restricted stock units totaling 0.03 for the nine months ended November 5, 2024.

<sup>(3)</sup> Our Board of Directors approved a share repurchase program in March 2023, with approved increases in April and September 2023 and February 2024 (see further discussion at Note 6 to our unaudited consolidated financial statements). Under the program, 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 Exchange Act, as amended. The share repurchase program(s) may be modified, suspended or discontinued at any time.

<sup>(4)</sup> Represents total cumulative share repurchase authorizations in effect, less cumulative purchases, at the end of each period presented.

**Item 5. Other Information**

On December 5, 2024, the Company's Board of Directors adopted the Company's Fourth Amended and Restated Bylaws updating the reference to the Company's fiscal year end to conform to the fiscal year end previously disclosed in the Company's Quarterly Report on Form 10-Q filed on June 12, 2024.

**Item 6. Exhibits**

| <b>Exhibit Number</b> | <b>Description</b>  |
|-----------------------|---|
| 3.1*                  | <a href="#">Fourth Amended and Restated Bylaws of the Registrant.</a>   |
| 31.1*                 | <a href="#">Certification of Chief Executive Officer of the Registrant, pursuant to 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a).</a>   |
| 31.2*                 | <a href="#">Certification of Chief Financial Officer of the Registrant, pursuant to 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a).</a>   |
| 32.1**                | <a href="#">Certification of 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.</a> |
| 32.2**                | <a href="#">Certification of 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.</a> |
| 101.INS               | Inline 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               | Inline XBRL Inline Taxonomy Extension Schema Document   |
| 101.CAL               | Inline XBRL Inline Taxonomy Extension Calculation Linkbase Document   |
| 101.DEF               | Inline XBRL Inline Taxonomy Extension Definition Linkbase Document  |
| 101.LAB               | Inline XBRL Inline Taxonomy Extension Label Linkbase Document   |
| 101.PRE               | Inline XBRL Inline Taxonomy Extension Presentation Linkbase Document  |
| 104                   | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).   |

\* Filed herewith

\* Furnished herewith

**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: December 10, 2024

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

Date: December 10, 2024

By: /s/ Darin Harper  
Darin Harper  
Chief Financial Officer

**FOURTH AMENDED AND RESTATED  
BYLAWS OF  
DAVE & BUSTER'S ENTERTAINMENT, INC.**

## Table of Contents

|            |   | <u>Page</u> |
|------------|---|-------------|
| ARTICLE I  | STOCKHOLDERS                                      | 1           |
| 1.1        | Place of Meetings                                 | 1           |
| 1.2        | Annual Meeting                                    | 1           |
| 1.3        | Special Meetings                                  | 1           |
| 1.4        | Stockholder Action                                | 1           |
| 1.5        | Notice of Meetings                                | 1           |
| 1.6        | Voting List                                       | 1           |
| 1.7        | Quorum  | 2           |
| 1.8        | Adjournments                                      | 2           |
| 1.9        | Proxies   | 2           |
| 1.10       | Action at Meeting                                 | 2           |
| 1.11       | Notice of Stockholder Business and Nominations    | 3           |
| 1.12       | Conduct of Meetings                               | 9           |
| ARTICLE II | DIRECTORS   | 10          |
| 2.1        | General Powers                                    | 10          |
| 2.2        | Election, Number and Qualification                | 10          |
| 2.3        | Chairman of the Board; Vice Chairman of the Board | 11          |
| 2.4        | Quorum  | 11          |
| 2.5        | Action at Meeting                                 | 11          |
| 2.6        | Removal   | 11          |
| 2.7        | Vacancies   | 11          |
| 2.8        | Resignation                                       | 11          |
| 2.9        | Regular Meetings                                  | 12          |
| 2.10       | Special Meetings                                  | 12          |
| 2.11       | Notice of Special Meetings                        | 12          |
| 2.12       | Meetings by Conference Communications Equipment   | 12          |
| 2.13       | Action by Written Consent                         |             |

|             |                           |    |
|-------------|---------------------------|----|
| 2.13        | Action by written consent | 12 |
| 2.14        | Committees                | 12 |
| 2.15        | Compensation of Directors | 13 |
| ARTICLE III | OFFICERS                  | 13 |
| 3.1         | Titles                    | 13 |
| 3.2         | Election                  | 13 |
| 3.3         | Qualification             | 13 |
| 3.4         | Tenure                    | 13 |
| 3.5         | Resignation and Removal   | 13 |

|             |   |    |
|-------------|---|----|
| 3.6         | Vacancies                                 | 13 |
| 3.7         | Chief Executive Officer                   | 13 |
| 3.8         | President                                 | 13 |
| 3.9         | Chief Financial Officer                   | 13 |
| 3.10        | Vice Presidents                           | 14 |
| 3.11        | Secretary and Assistant Secretaries       | 14 |
| 3.12        | Treasurer and Assistant Treasurers        | 14 |
| 3.13        | Delegation of Authority                   | 14 |
| ARTICLE IV  | CAPITAL STOCK                             | 14 |
| 4.1         | Issuance of Stock                         | 14 |
| 4.2         | Stock Certificates; Uncertificated Shares | 15 |
| 4.3         | Transfers                                 | 15 |
| 4.4         | Lost, Stolen or Destroyed Certificates    | 16 |
| ARTICLE V   | GENERAL PROVISIONS                        | 16 |
| 5.1         | Fiscal Year                               | 16 |
| 5.2         | Corporate Seal                            | 16 |
| 5.3         | Waiver of Notice                          | 16 |
| 5.4         | Voting of Securities                      | 16 |
| 5.5         | Evidence of Authority                     | 16 |
| 5.6         | Certificate of Incorporation              | 16 |
| 5.7         | Severability                              | 16 |
| 5.8         | Pronouns                                  | 17 |
| 5.9         | Electronic Transmission                   | 17 |
| ARTICLE VI  | AMENDMENTS                                | 17 |
| ARTICLE VII | INDEMNIFICATION AND ADVANCEMENT           | 17 |
| 7.1         | Right to Indemnification                  | 17 |
| 7.2         | Prepayment of Expenses                    | 17 |
| 7.3         | Authorization of Indemnification          | 18 |

|      |   |    |
|------|---|----|
| 7.4  | Good Faith Defined  | 18 |
| 7.5  | Right of Claimant to Bring Suit                               | 18 |
| 7.6  | Nonexclusivity of Indemnification and Advancement of Expenses | 18 |
| 7.7  | Insurance   | 19 |
| 7.8  | Certain Definitions   | 19 |
| 7.9  | Survival of Indemnification and Advancement of Expenses       | 19 |
| 7.10 | Contract Rights   | 19 |





**ARTICLE I**  
**STOCKHOLDERS**

1.1 Place of Meetings. All meetings of stockholders shall be held at such place, if any, as may be designated from time to time by the Board of Directors (the "Board") of Dave & Buster's Entertainment, Inc. (the "Corporation"), the Chairman of the Board or the Chief Executive Officer or, if not so designated, at the principal office of the Corporation. The Board may, in its sole discretion, determine that a meeting shall not be held at any place, but may instead be held solely by means of remote communication in accordance with Section 211(a) of the General Corporation Law of the State of Delaware (the "DGCL").

1.2 Annual Meeting. The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly be brought before the meeting shall be held on a date and at a time designated by the Board (which date shall not be a legal holiday in the place, if any, where the meeting is to be held). The Board may postpone, reschedule or cancel any previously scheduled annual meeting of stockholders.

1.3 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called as (and only as) provided in the Certificate of Incorporation. The Board may postpone, reschedule or cancel any previously scheduled special meeting of stockholders. Business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

1.4 Stockholder Action. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders; provided, however, that any action required or permitted to be taken by the holders of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable Preferred Stock Designation.

1.5 Notice of Meetings. Except as otherwise provided by the DGCL, notice of each meeting of stockholders, whether annual or special, shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting. Without limiting the manner by which notice otherwise may be given to stockholders, any notice shall be effective if given by a form of electronic transmission consented to (in a manner consistent with the DGCL) by the stockholder to whom the notice is given. The notices of all meetings shall state the place, if any, date and time of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting). The notice of a special meeting shall state, in addition, the purpose or purposes for which the meeting is called. If notice is given by mail, such notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation. If notice is given by electronic transmission, such notice shall be deemed given at the time specified in Section 232 of the DGCL.

1.6 Voting List. The Secretary shall prepare, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth (10th) day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the Corporation. If the meeting is to be held at a place, then the list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

1.7 Quorum. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, the holders of a majority in voting power of the shares of the capital stock of the Corporation issued and outstanding and entitled to vote at the meeting, present in person, present by means of remote communication in a manner, if any, authorized by the Board in its sole discretion, or represented by proxy, shall constitute a quorum for the transaction of business; provided, however, that where a separate vote by a class or classes or series of capital stock is required by law or the Certificate of Incorporation, the holders of a majority in voting power of the shares of such class or classes or series of the capital stock of the Corporation issued and outstanding and entitled to vote on such matter, present in person, present by means of remote communication in a manner, if any, authorized by the Board in its sole discretion, or represented by proxy, shall constitute a quorum entitled to take action with respect to the vote on such matter. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum.

1.8 Adjournments. Any meeting of stockholders, annual or special, may be adjourned from time to time to any other time and to any other place at which a meeting of stockholders may be held under these Bylaws by the chairman of the meeting or, if directed to be voted on by the chairman of the meeting, by the stockholders present or represented at the meeting and entitled to vote thereon, although less than a quorum. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

1.9 Proxies. Each stockholder of record entitled to vote at a meeting of stockholders may vote in person (including by means of remote communication in a manner, if any, authorized by the Board in its sole discretion by which stockholders may be deemed to be present in person and vote at such meeting) or may authorize another person or persons to vote for such stockholder by a proxy executed or transmitted in a manner permitted by applicable law. No such proxy shall be voted upon after three (3) years from the date of its execution, unless the proxy expressly provides for a longer period.

1.10 Action at Meeting. When a quorum is present at any meeting, any matter to be voted upon by the stockholders at such meeting shall, except as set forth in Section 2.2, be decided by the vote of the holders of shares of stock having a majority in voting power of the votes cast by the holders of all of the shares of stock present or represented at the meeting and voting affirmatively or negatively on such matter (or if there are two (2) or more classes or series of stock entitled to vote as separate classes, then in the case of each such class or series, the holders of shares of stock having a majority in voting power of the votes cast by the holders of all of the shares of stock of that class or series present or represented at the meeting and voting affirmatively or negatively on such matter), except when a different vote is required by applicable law, regulation applicable to the Corporation or its securities, the rules or regulations of any stock exchange applicable to the Corporation, the Certificate of Incorporation or these Bylaws. Voting at meetings of stockholders need not be by written ballot.

### 1.11 Notice of Stockholder Business and Nominations.

#### (A) Annual Meetings of Stockholders.

(1) Nominations of persons for election to the Board and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders only (a) pursuant to the Corporation's notice of meeting (or any supplement thereto), (b) by or at the direction of the Board or any committee thereof or (c) by any stockholder of the Corporation who was a stockholder of record of the Corporation at the time the notice provided for in this Section 1.11 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 1.11. For the avoidance of doubt, the procedures set forth in this Section 1.11 shall be the exclusive means for a stockholder to make nominations or submit proposals for other business (other than matters properly brought under Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or any successor rule thereto and included in the Corporation's proxy statement that has been prepared to solicit proxies for such annual meeting) for an annual meeting of stockholders.

(2) For any nominations or any other business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and any such proposed business (other than the nominations of persons for election to the Board) must constitute a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90<sup>th</sup>) day, nor earlier than the close of business on the one hundred and twentieth (120<sup>th</sup>) day, prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than ninety (90) days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the one hundred

twentieth (120<sup>th</sup>) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90<sup>th</sup>) day prior to such annual meeting and the tenth (10<sup>th</sup>) day following the day on which public announcement of the date of such annual meeting is first made by the Corporation). In no event shall the adjournment or postponement of an annual meeting (or any public announcement thereof) commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. To be in proper form, such stockholder's notice (whether given pursuant to this paragraph (A)(2) of Section 1.11 or paragraph (B) of Section 1.11) to the Secretary of the Corporation shall set forth:

(a) as to each person, if any, whom the stockholder proposes to nominate for election or reelection as a director to the Board

(i) all information relating to such person that is required to be disclosed, whether in a proxy statement, other filings required to be made in connection with solicitations of proxies for election of directors in a contested election contest, or as otherwise required, in each case pursuant to and in accordance with Section 14(a) of the Exchange Act, and the rules and regulations promulgated thereunder;

(ii) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary of the Corporation upon written request); such person's written representation and agreement (in the form provided by the Secretary of the Corporation upon written request), (A) that such person is not and will not become party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (B) that such person is not and will not become a party to any agreement, arrangement, or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a director that has not been disclosed to the Corporation, and (C) that, in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, such person would, if elected as a director, comply with all of the Corporation's corporate governance, ethics, conflict of interest, confidentiality and stock ownership and trading policies and guidelines applicable generally to the Corporation's directors and, if elected as a director of the Corporation, such person currently would be in compliance with any such policies and guidelines that have been publicly disclosed;

(iii) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, and their respective affiliates and associates, or any other person or persons (including their names) acting in

concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates or associates, or any other person or persons (including their names) acting in concert therewith, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 promulgated under Regulation S-K if the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the “registrant” for purposes of such rule and the nominee were a director or executive officer of such registrant;

(iv) any information that such person would be required to disclose pursuant to clauses (ii) – (ix) of clause (c) of this paragraph (A)(2) of Section 1.11 if such person were a stockholder purporting to make a nomination or propose business pursuant thereto; and

(v) an undertaking to notify the Corporation in writing of any change in the information called for by clauses (i) – (iv) as of the record date for notice of such meeting, by notice received by the Secretary of the Corporation at the principal executive offices of the Corporation not later than the tenth (10th) day following such record date;

(b) as to any other business that the stockholder proposes to bring before the meeting,

(i) a brief description of the business desired to be brought before the annual meeting, the text of the proposal or business (including the complete text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend any Corporation document, the language of the proposed amendment), the reasons for conducting such business at the annual meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and

(ii) a description of all agreements, arrangements and understandings between such stockholder and beneficial owner, if any, and their respective affiliate and associates, and any other person or persons (including their names) acting in concert therewith in connection with the proposal of such business by such stockholder; and

(c) as to the stockholder giving the notice, the beneficial owner, if any, on whose behalf the nomination or proposal for other business is made, any of their respective affiliates or associates (including, if such stockholder or beneficial owner is an entity, as to each director, executive, managing member or control person of such entity), and any others acting in concert with any of the following:

(i) the name and address of such stockholder, as they appear on the Corporation’s books, of such beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing;

(ii) the class or series and number of shares of capital stock of the Corporation which are, directly or indirectly, owned beneficially and of record by such stockholder, such

beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing;

(iii) a description of any agreement, arrangement or understanding with respect to the nomination or proposal between or among such stockholder and/or such beneficial owner, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, including, in the case of a nomination, the nominee;

(iv) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of capital stock of the Corporation or with a value derived in whole or in part from the value of any class or series of capital stock of the Corporation, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder and such beneficial owners, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the Corporation (a "Derivative Instrument");

(v) a description of any proxy, contract, arrangement, understanding or relationship pursuant to which such stockholder and such beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, has the right to vote any shares of any security of the Corporation;

(vi) any short interest of such stockholder and such beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, in any security of the Corporation (for purposes of these Bylaws, a person shall be deemed to have a short interest in a security if such person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security);

(vii) any rights to dividends on the shares of the Corporation owned beneficially by such stockholder and such beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, that are separated or separable from the underlying shares of capital stock of the Corporation;

(viii) any proportionate interest in shares of capital stock of the Corporation or Derivative Instruments, held, directly or indirectly, by a general or limited partnership or similar entity in which such stockholder or such beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, is the manager, managing member or directly or indirectly beneficially owns an interest in the manager or managing member of a limited liability company or similar entity;

- (ix) any performance related fees (other than an asset-based fee) that such stockholder and such beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, is entitled to based on any increase or decrease in the value of shares of capital stock of the Corporation or Derivative Instruments, if any;
- (x) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such annual meeting and intends to appear in person or by proxy at the annual meeting to propose such business or nomination;
- (xi) a representation whether the stockholder or the beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination;
- (xii) any other information relating to such stockholder and beneficial owner, if any, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, required to be disclosed under the DGCL or in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal of other business and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder; and
- (xiii) an undertaking by the stockholder and beneficial owner, if any, to notify the Corporation in writing of any change in the information called for by clauses (i) – (xii) above as of the record date for such meeting, by notice received by the Secretary of the Corporation at the principal executive offices of the Corporation not later than the tenth (10th) day following such record date.

The Corporation may, as a condition of any such nomination being deemed properly brought before an annual meeting, require any proposed nominee to furnish (i) any information required pursuant to any undertaking delivered pursuant to this paragraph (A)(2) of Section 1.11, and (ii) such other information as the Corporation may require to determine the eligibility of such proposed nominee to serve as a director, or independent director of the Corporation may request. The foregoing notice requirements of this paragraph (A) of this Section 1.11 shall be deemed satisfied by a stockholder with respect to business (other than any purported nomination) if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with Rule 14a-8 promulgated under the Exchange Act or any successor rule thereto and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting.

(3) Notwithstanding anything in the second sentence of paragraph (A)(2) of this Section 1.11 to the contrary, in the event that the number of directors to be elected to the Board at the annual meeting is increased effective after the time period for which nominations would otherwise be



due under paragraph (A)(2) of this Section 1.11 and there is no public announcement by the Corporation naming the nominees for the additional directorships at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 1.11 shall also be considered timely, but only with respect to nominees for the additional directorship positions, if it shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the tenth (10<sup>th</sup>) day following the day on which such public announcement is first made by the Corporation.

(B) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the special meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (1) by or at the direction of the Board or any committee thereof or (2) provided that the Board pursuant to Section 1.3 hereof has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who (a) is a stockholder of record at the time the notice provided for in this Section 1.11 is delivered to the Secretary of the Corporation and at the time of the special meeting, (b) is entitled to vote at the special meeting and (iii) complies with the notice procedures and conditions set forth in this Section 1.11 (including the information requirements in paragraph (A)(2) of Section 1.11) as to such nomination. For the avoidance of doubt, the foregoing clause (2) of this paragraph (B) of Section 1.11 shall be the exclusive means for a stockholder to propose nominations of persons for election to the Board at a special meeting of stockholders at which directors are to be elected. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (A)(2) of this Section 1.11 shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90<sup>th</sup>) day prior to such special meeting and the tenth (10<sup>th</sup>) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. In no event shall the adjournment or postponement of a special meeting as to which notice has been sent to stockholders, or any public announcement with respect thereto, commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(C) General. (1) Except as otherwise expressly provided in any applicable rule or regulation promulgated under the Exchange Act, only such persons who are nominated in accordance with the procedures set forth in this Section 1.11 shall be eligible to be properly elected at an annual or special meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 1.11. Except as otherwise provided by law, the Certificate of Incorporation or the Bylaws, the chairman of the meeting shall have the power and duty (a) to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 1.11 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made, solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies or votes in support of such stockholder's nominee or proposal in compliance with such stockholder's

representation as required by clause (A)(2)(c)(xi) of this Section 1.11) and (b) if any proposed nomination or business was not made or proposed in compliance with this Section 1.11, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 1.11, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.11, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder, to act for such stockholder as proxy at the annual or special meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the annual or special meeting of stockholders.

(2) For purposes of this Section 1.11, “public announcement” shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press or other national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

(3) Notwithstanding the foregoing provisions of this Section 1.11, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 1.11; provided however, that any references in these Bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 1.11 (including paragraphs (A)(2) and (B) hereof), and compliance with paragraphs (A)(2) and (B) of this Section 1.11 shall be the exclusive means for a stockholder to make nominations or submit other business (other than, as provided in the penultimate sentence of (A)(2), business other than nominations brought properly under and in compliance with Rule 14a-8 of the Exchange Act or any successor rule thereto, as may be amended from time to time). Nothing in this Section 1.11 shall be deemed to affect any rights (a) of stockholders to request inclusion of proposals or nominations in the Corporation’s proxy statement pursuant to applicable Rule 14a-8 promulgated under the Exchange Act or (b) of the holders of any series of Preferred Stock to elect directors if and to the extent provided for under any applicable provisions of the Certificate of Incorporation.

(D) Record Date. In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at

the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix a record date, which shall not be more than sixty (60) days prior to such action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

#### 1.12 Conduct of Meetings.

(A) Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in the Chairman's absence by the Vice Chairman of the Board, if any, or in the Vice Chairman's absence by the Chief Executive Officer, or in the Chief Executive Officer's absence, by the President, or in the President's absence by a Vice President, or in the absence of all of the foregoing persons by a chairman designated by the Board. The Secretary shall act as secretary of the meeting, but in the Secretary's absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

(B) The Board may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders of the Corporation as it shall deem appropriate including, without limitation, such guidelines and procedures as it may deem appropriate in its sole discretion regarding the participation by means of remote communication of stockholders and proxyholders not physically present at a meeting. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board, the chairman of any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chairman of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as shall be determined; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(C) The chairman of the meeting shall announce at the meeting the date and time of the opening and closing of the polls for each matter voted upon at the meeting. After the polls close, no ballots, proxies or votes or any revocations or changes thereto may be accepted unless the Court of Chancery of the State of Delaware shall determine otherwise.

(D) In advance of any meeting of stockholders, the Board, the Chairman of the Board, the Chief Executive Officer or the President shall appoint one or more inspectors of election to act at the meeting and make a written report thereof. One or more other persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is present, ready and willing to act at a meeting of stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by law, inspectors may be officers, employees or agents of the Corporation. Each inspector, before entering upon the discharge of such inspector's duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability. The inspector shall have the duties prescribed by law and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by law. Every vote taken by ballots shall be counted by a duly appointed inspector or duly appointed inspectors.

## ARTICLE II

### DIRECTORS

2.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board, which may exercise all of the powers of the Corporation except as otherwise provided by law or the Certificate of Incorporation.

2.2 Election, Number and Qualification. At each annual meeting, directors shall be elected to hold office until the next annual meeting and until their successors have been duly elected and qualified; except that if any such election shall be not so held, such election shall take place at a stockholders' meeting called and held in accordance with the DGCL. At any meeting of stockholders at which directors are to be elected, each director shall be elected by a majority of the votes cast with respect to such director; provided, however, that, if there is a contested election, directors shall be elected by the plurality vote of the votes cast by the holders of shares present or represented at the meeting and entitled to vote thereon. An election shall be considered contested if, as of the 10th day before the Corporation mails its notice of meeting for such meeting to stockholders, the number of nominees exceeds the number of directors to be elected. For the purposes of this Section 2.2, a majority of the votes cast means that the number of votes "for" a director exceeds the number of votes "against" the director (with "abstentions" and "broker non-votes" not counted as votes cast).

In an election that is not contested, any incumbent director who fails to receive a majority of the votes cast shall promptly submit an offer to resign from the Board. The Nominating and Corporate Governance Committee shall recommend to the Board whether to accept or reject the director's offer to resign, or what other action should be taken. The Board shall act on the offer to resign, taking into account the Nominating and Corporate Governance Committee's recommendation, within 90 days from the date of the certification of election results and publicly disclose its decision regarding the offer to resign and, if such offer is not accepted, the rationale behind the decision. Any director who offers to resign shall not participate in the Nominating and Corporate Governance Committee's recommendation or the Board's decision.

If the Board accepts a director's resignation pursuant to this Section 2.2, or if a non-incumbent nominee for director is not elected, then the Board may fill the resulting vacancy pursuant to Section 2.7 of these Bylaws or decrease the size of the Board pursuant to this Section 2.2.

Election of directors need not be by written ballot. Subject to the Certificate of Incorporation, the total number of directors constituting the Board shall be such number as may be fixed from time to time by resolution of the Board. Each director shall be at least 18 years of age. A director need not be a stockholder of the Corporation, a citizen of the United States, or a resident of the State of Delaware.

2.3 Chairman of the Board; Vice Chairman of the Board. The Board may appoint from its members a Chairman of the Board and a Vice Chairman of the Board, neither of whom need be an employee or officer of the Corporation. If the Board appoints a Chairman of the Board, such Chairman shall perform such duties and possess such powers as are assigned by the Board and, if the Chairman of the Board is also designated as the Corporation's Chief Executive Officer, shall have the powers and duties of the Chief Executive Officer prescribed in Section 3.7 of these Bylaws. If the Board appoints a Vice Chairman of the Board, such Vice Chairman shall perform such duties and possess such powers as are assigned by the Board. Unless otherwise provided by the Board, the Chairman of the Board or, in the Chairman's absence, the Vice Chairman of the Board, if any, shall preside at all meetings of the Board.

2.4 Quorum. A majority of the directors at any time in office shall constitute a quorum of the Board. If at any meeting of the Board there shall be less than a quorum, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present.

2.5 Action at Meeting. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number is required by law, by the Certificate of Incorporation or these Bylaws.

2.6 Removal. Subject to the rights of holders of any series of Preferred Stock, directors of the Corporation may be removed as provided in the Certificate of Incorporation.

2.7 Vacancies. Subject to the provisions of the Certificate of Incorporation and the rights of holders of any series of Preferred Stock, any newly created directorship that results from an increase in the number of directors or any vacancy on the Board that results from the death, disability, resignation, disqualification or removal of any director or from any other cause shall be filled solely by the affirmative vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director and shall not be filled by the stockholders. Any director elected to fill a vacancy shall hold office for the remaining term of his or her predecessor.

2.8 Resignation. Any director may resign by delivering a resignation in writing or by electronic transmission to the Corporation at its principal office or to the Chairman of the Board, the Chief Executive Officer, the President or the Secretary. Such resignation shall be effective upon delivery unless it is specified to be effective at some later time or upon the happening of some later event.

2.9 Regular Meetings. Regular meetings of the Board may be held without notice at such time and place as shall be determined from time to time by the Board; provided that any director who is absent when such a determination is made shall be given notice of the determination. A regular meeting

of the Board may be held without notice immediately after and at the same place as the annual meeting of stockholders.

2.10 Special Meetings. Special meetings of the Board may be called by the Chairman of the Board, by the Chief Executive Officer, or by the affirmative vote of a majority of the directors then in office or by one director in the event that there is only a single director in office.

2.11 Notice of Special Meetings. Notice of the date, place and time of any special meeting of the Board shall be given to each director by the Secretary or by the officer or one of the directors calling the meeting. Notice shall be duly given to each director (a) in person or by telephone at least twenty-four (24) hours in advance of the meeting, (b) by sending written notice by reputable overnight courier, telecopy, facsimile or other means of electronic transmission, or delivering written notice by hand, to such director's last known business, home or means of electronic transmission address at least twenty-four (24) hours in advance of the meeting, or (c) by sending written notice by first-class mail to such director's last known business or home address at least seventy-two (72) hours in advance of the meeting. A notice or waiver of notice of a meeting of the Board need not specify the purposes of the meeting.

2.12 Meetings by Conference Communications Equipment. Directors may participate in meetings of the Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

2.13 Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent to the action in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee thereof. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

2.14 Committees. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Corporation with such lawfully delegable powers and duties as the Board thereby confers, to serve at the pleasure of the Board. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members of the committee present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board but subject to the DGCL, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it. Each such committee shall keep minutes and make such reports as the Board may from time to time request. Except as the Board may otherwise determine, any committee may make rules for the conduct of its business, but unless otherwise provided by the committee or in such rules, its business shall be conducted as nearly as possible in the same manner as is provided in these Bylaws for the Board. Except as otherwise provided in the Certificate of Incorporation, these Bylaws, or the resolution of the Board designating the committee, a committee may create one or more subcommittees, each subcommittee to

consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

2.15 Compensation of Directors. Directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the Board may from time to time determine. No such payment shall preclude any director from serving the Corporation or any of its parent or subsidiary entities in any other capacity and receiving compensation for such service.

## ARTICLE III

### OFFICERS

3.1 Titles. The officers of the Corporation may consist of a Chief Executive Officer, a President, a Chief Financial Officer, a Treasurer and a Secretary and such other officers with such other titles as the Board shall from time to time determine. The Board may appoint such other officers, including one or more Vice Presidents and one or more Assistant Treasurers or Assistant Secretaries, as it may deem appropriate from time to time.

3.2 Election. The officers of the Corporation shall be elected annually by the Board at its first meeting following the annual meeting of stockholders.

3.3 Qualification. No officer need be a stockholder. To the extent permitted by the DGCL, any two or more offices may be held by the same person.

3.4 Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these Bylaws, each officer shall hold office until such officer's successor is duly elected and qualified, unless a different term is specified in the resolution electing or appointing such officer, or until such officer's earlier death, resignation, disqualification or removal.

3.5 Resignation and Removal. Any officer may resign by delivering a written resignation to the Corporation at its principal office or to the Board, the Chief Executive Officer, the President or the Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some later time or upon the happening of some later event. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the directors then in office.

3.6 Vacancies. The Board may fill any vacancy occurring in any office for any reason and may, in its discretion, leave unfilled, for such period as it may determine, any offices. Each such successor shall hold office for the unexpired term of such officer's predecessor and until a successor is duly elected and qualified, or until such officer's earlier death, resignation, disqualification or removal.

3.7 Chief Executive Officer. The Board of Directors shall select a Chief Executive Officer to serve at the pleasure of the Board of Directors. The Chief Executive Officer shall have general charge and supervision of the business of the Corporation subject to the direction of the Board, and shall perform all duties and have all powers that are commonly incident to the office of chief executive or that are delegated to such officer by the Board.

3.8 President. The President shall perform all duties and have all powers that are commonly incident to the office of president or that are delegated to such officer by the Board or by the Chief Executive Officer.

3.9 Chief Financial Officer. The Chief Financial Officer shall perform all duties and have all powers that are commonly incident to the office of chief financial officer or that are delegated to such officer by the Board or by the Chief Executive Officer.

3.10 Vice Presidents. Each Vice President shall perform such duties and possess such powers as the Board or the Chief Executive Officer may from time to time prescribe. The Board may assign to any Vice President the title of Executive Vice President, Senior Vice President or any other title selected by the Board.

3.11 Secretary and Assistant Secretaries. The Secretary shall perform such duties and shall have such powers as the Board or the Chief Executive Officer may from time to time prescribe. In addition, the Secretary shall perform such duties and have such powers as are incident to the office of the secretary, including without limitation the duty and power to give notices of all meetings of stockholders and special meetings of the Board, to attend all meetings of stockholders and of the Board and keep a record of the proceedings thereof, to maintain a stock ledger and prepare lists of stockholders and their addresses as required, to be custodian of corporate records and the corporate seal and to affix and attest to the same on documents.

Any Assistant Secretary shall perform such duties and possess such powers as the Board, the Chief Executive Officer or the Secretary may from time to time prescribe. In the event of the absence, inability or refusal to act of the Secretary, the Assistant Secretary (or if there shall be more than one, the Assistant Secretaries in the order determined by the Board) shall perform the duties and exercise the powers of the Secretary.

The chairman of any meeting of the Board or of stockholders may designate a temporary secretary to keep a record of any meeting.

3.12 Treasurer and Assistant Treasurers. The Treasurer shall perform such duties and shall have such powers as may from time to time be assigned by the Board or the Chief Executive Officer. In addition, the Treasurer shall perform such duties and have such powers as are incident to the office of treasurer, including without limitation the duty and power to keep and be responsible for all funds and securities of the Corporation, to deposit funds of the Corporation in depositories selected in accordance with these Bylaws, to disburse such funds as ordered by the Board, to make proper accounts of such funds, and to render as required by the Board statements of all such transactions and of the financial condition of the Corporation.

The Assistant Treasurers shall perform such duties and possess such powers as the Board, the Chief Executive Officer or the Treasurer may from time to time prescribe. In the event of the absence, inability or refusal to act of the Treasurer, the Assistant Treasurer (or if there shall be more than one, the Assistant Treasurers in the order determined by the Board) shall perform the duties and exercise the powers of the Treasurer.



3.13 Delegation of Authority. The Board may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

## ARTICLE IV

### CAPITAL STOCK

4.1 Issuance of Stock. Subject to the provisions of the Certificate of Incorporation, the whole or any part of any unissued balance of the authorized capital stock of the Corporation or the whole or any part of any shares of the authorized capital stock of the Corporation held in the Corporation's treasury may be issued, sold, transferred or otherwise disposed of by vote of the Board in such manner, for such lawful consideration and on such terms as the Board may determine.

4.2 Stock Certificates; Uncertificated Shares. The shares of the Corporation shall be represented by certificates, provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of the Corporation's stock shall be uncertificated shares. Every holder of stock of the Corporation represented by certificates shall be entitled to have a certificate, in such form as may be prescribed by law and by the Board, representing the number of shares held by such holder registered in certificate form. Each such certificate shall be signed in a manner that complies with Section 158 of the DGCL.

Each certificate for shares of stock which are subject to any restriction on transfer pursuant to the Certificate of Incorporation, these Bylaws, applicable securities laws or any agreement among any number of stockholders or among such holders and the Corporation shall have conspicuously noted on the face or back of the certificate either the full text of the restriction or a statement of the existence of such restriction.

If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of each certificate representing shares of such class or series of stock, provided that in lieu of the foregoing requirements there may be set forth on the face or back of each certificate representing shares of such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Within a reasonable time after the issuance or transfer of uncertificated shares, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to Sections 151, 156, 202(a) or 218(a) of the DGCL or, with respect to Section 151 of DGCL, a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

4.3 Transfers. Shares of stock of the Corporation shall be transferable in the manner prescribed by law, the Certificate of Incorporation and in these Bylaws. Transfers of shares of stock of the Corporation shall be made only on the books of the Corporation or by transfer agents designated to transfer shares of stock of the Corporation. Subject to applicable law, shares of stock represented by certificates shall be transferred only on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment or power of attorney properly executed, and with such proof of authority or the authenticity of signature as the Corporation or its transfer agent may reasonably require. Except as may be otherwise required by law, by the Certificate of Incorporation or by these Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect to such stock, regardless of any transfer, pledge or other disposition of such stock until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

4.4 Lost, Stolen or Destroyed Certificates. The Corporation may issue a new certificate or uncertificated shares in place of any previously issued certificate alleged to have been lost, stolen or destroyed, upon such terms and conditions as the Board may prescribe, including the presentation of reasonable evidence of such loss, theft or destruction and the giving of such indemnity and posting of such bond as the Board may require for the protection of the Corporation or any transfer agent or registrar.

## ARTICLE V

### GENERAL PROVISIONS

5.1 Fiscal Year. Except as from time to time otherwise designated by the Board, the fiscal year of the Corporation shall be a 52 or 53 week period that ends on the Tuesday after the Monday closest to January 31.

5.2 Corporate Seal. The corporate seal shall be in such form as shall be approved by the Board.

5.3 Waiver of Notice. Whenever notice is required to be given by law, by the Certificate of Incorporation or by these Bylaws, a written waiver signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before, at or after the time of the event for which notice is to be given, shall be deemed equivalent to notice required to be given to such person. Neither the business nor the purpose of any meeting need be specified in any such waiver. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

5.4 Voting of Securities. Except as the Board may otherwise designate, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer may waive notice, vote, consent, or appoint any person or persons to waive notice, vote or consent, on behalf of the Corporation, and act as, or appoint any person or persons to act as, proxy or attorney-in-fact for this Corporation (with

or without power of substitution), with respect to the securities of any other entity which may be held by this Corporation.

5.5 Evidence of Authority. A certificate by the Secretary, or an Assistant Secretary, or a temporary Secretary, as to any action taken by the stockholders, directors, a committee or any officer or representative of the Corporation shall as to all persons who rely on the certificate in good faith be conclusive evidence of such action.

5.6 Certificate of Incorporation. All references in these Bylaws to the Certificate of Incorporation shall be deemed to refer to the Fourth Amended and Restated Certificate of Incorporation of the Corporation, dated June 9, 2017 as it may be further amended and/or restated and in effect from time to time.

5.7 Severability. If any provision or provisions (or any part thereof) of these Bylaws shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provision of these Bylaws (including, without limitation, each portion of any paragraph of these Bylaws containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of these Bylaws (including, without limitation, each such portion of any paragraph of these Bylaws containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service or for the benefit of the Corporation to the fullest extent permitted by law.

5.8 Pronouns. All pronouns used in these Bylaws shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.

5.9 Electronic Transmission. For purposes of these Bylaws, “electronic transmission” means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

## **ARTICLE VI**

### **AMENDMENTS**

These Bylaws may be altered, amended or repealed, in whole or in part, or new Bylaws may be adopted by the Board or by the affirmative vote of the holders of a majority in voting power of the Corporation’s then outstanding shares entitled to vote thereon, voting together as a single class.

## **ARTICLE VII**

### **INDEMNIFICATION AND ADVANCEMENT**

7.1 Right to Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person

(a “Covered Person”) who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a “proceeding”), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation, or has or had agreed to become a director or officer of the Corporation, or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a limited liability company, partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys’ fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 7.5, the Corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board.

7.2 Prepayment of Expenses. The Corporation shall, to the fullest extent not prohibited by applicable law, as the same exists or may hereafter be amended, pay the expenses (including attorneys’ fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by or on behalf of the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VII or otherwise.

7.3 Authorization of Indemnification. Any indemnification under this Article VII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth Section 7.4. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (i) by a majority vote of the directors who are not parties to such proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or (iv) by the stockholders. Such determination shall be made, with respect to former directors and officers, by any person or persons having the authority to act on the matter on behalf of the Corporation. To the extent, however, that a present or former director or officer of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding set forth in Section 7.1 or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys’ fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

7.4 Good Faith Defined. For purposes of any determination under Section 7.3, a person shall be deemed to have acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe such person’s conduct was unlawful, if such person’s action was based on good faith reliance on the records or books of account of the Corporation or another enterprise, or on information supplied to such person by the officers of the Corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with

reasonable care by the Corporation or another enterprise. The term “another enterprise” as used in this Section 7.4 shall mean any other corporation or any partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a director, officer, employee or agent. The provisions of this Section 7.4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in the DGCL.

7.5 Right of Claimant to Bring Suit. If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Article VII is not paid in full within thirty (30) days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense (including attorneys’ fees) of prosecuting such proceeding. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law. It shall be a defense to any such action brought to enforce a right to indemnification (but not in an action brought to enforce a right to an advancement of expenses) that the claimant has not met the standards of conduct which make it permissible under the DGCL (or other applicable law) for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither a contrary determination in the specific case under Section 7.3 nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the claimant has not met any applicable standard of conduct.

7.6 Nonexclusivity of Indemnification and Advancement of Expenses. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Certificate of Incorporation, any agreement, or pursuant to any vote of stockholders or disinterested directors or otherwise, both as to action in such person’s official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that, subject to the last sentence of Section 7.1, indemnification of the persons specified in Section 7.1 shall be made to the fullest extent permitted by law. The provisions of this Article VII shall not be deemed to preclude the indemnification of or advancement of expenses to any person who is not specified in Section 7.1 but whom the Corporation has the power or obligation to indemnify under the provisions of the DGCL, or otherwise.

7.7 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person’s status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Article VII.

7.8 Certain Definitions. For purposes of this Article VII, references to “the Corporation” shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents so that any person who is or was a director, officer, employee or agent of such constituent corporation,

or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VII with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VII, references to “fines” shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to “serving at the request of the Corporation” shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Article VII.

7.9 Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

7.10 Contract Rights. The obligations of the Corporation under this Article VII to indemnify, and advance expenses to, a Covered Person shall be considered a contract between the Corporation and such person, and no modification or repeal of any provision of this Article VII shall affect, to the detriment of such person, such obligations of the Corporation in connection with a claim based on any act or failure to act occurring before such modification or repeal.

## CERTIFICATION

I, Chris 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 third 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: December 10, 2024

/s/ Chris Morris  
Chris Morris  
Chief Executive Officer

**CERTIFICATION**

I, Darin Harper, 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 third 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: December 10, 2024

/s/ Darin Harper

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Darin Harper  
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 November 5, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Chris 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: December 10, 2024

/s/ Chris Morris  
Chris 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 November 5, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Darin Harper, 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: December 10, 2024

/s/ Darin Harper

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Darin Harper  
Chief Financial Officer