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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2020

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 Number 001-37788

WAITR HOLDINGS INC.
(Exact name of Registrant as specified in its Charter)

Delaware	**26-3828008**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
214 Jefferson Street, Suite 200	
Lafayette, Louisiana	**70501**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **1-337-534-6881**

Indicate by check mark 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 check mark 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	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☒
Emerging growth company	☒		

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

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value $0.0001 Per Share	WTRH	The Nasdaq Stock Market LLC

The number of shares of Registrant's Common Stock outstanding as of August 4, 2020 was 110,075,737.

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

WAITR HOLDINGS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	June 30, 2020 Unaudited	December 31, 2019
ASSETS		
CURRENT ASSETS		
Cash	$ 66,702	$ 29,317
Accounts receivable, net	6,121	3,272
Capitalized contract costs, current	546	199
Prepaid expenses and other current assets	5,506	8,329
TOTAL CURRENT ASSETS	**78,875**	**41,117**
Property and equipment, net	3,398	4,072
Capitalized contract costs, noncurrent	1,978	772
Goodwill	106,734	106,734
Intangible assets, net	23,941	25,761
Other noncurrent assets	454	517
TOTAL ASSETS	**$ 215,380**	**$ 178,973**
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
CURRENT LIABILITIES		
Current portion of Term Loans	$ 12,500	$ —
Accounts payable	5,335	4,384
Restaurant food liability	5,528	5,612
Accrued payroll	5,020	5,285
Short-term loans	2,094	3,612
Deferred revenue, current	47	414
Income tax payable	85	51
Other current liabilities	13,923	12,630
TOTAL CURRENT LIABILITIES	**44,532**	**31,988**
Long-term debt	103,311	123,244
Accrued workers' compensation liability	346	463
Deferred revenue, noncurrent	—	45
Other noncurrent liabilities	499	325
TOTAL LIABILITIES	**148,688**	**156,065**
Commitment and contingencies (Note 10)		
STOCKHOLDERS' EQUITY:		
Common stock, $0.0001 par value; 249,000,000 shares authorized and 102,382,511 and 76,579,175 shares issued and outstanding at June 30, 2020 and December 31, 2019, respectively	10	8
Additional paid in capital	420,368	385,137
Accumulated deficit	(353,686)	(362,237)
TOTAL STOCKHOLDERS' EQUITY	**66,692**	**22,908**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 215,380**	**$ 178,973**

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAITR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
REVENUE	**$ 60,506**	**$ 51,342**	**$ 104,749**	**$ 99,374**
COSTS AND EXPENSES:				
Operations and support	30,547	39,698	56,912	75,881
Sales and marketing	2,740	15,339	5,566	25,662
Research and development	1,167	2,149	2,637	4,089
General and administrative	10,094	12,380	20,872	31,298
Depreciation and amortization	2,075	4,824	4,139	8,940
Intangible and other asset impairments	29	—	29	18
Loss on disposal of assets	3	10	11	15
TOTAL COSTS AND EXPENSES	**46,655**	**74,400**	**90,166**	**145,903**
INCOME (LOSS) FROM OPERATIONS	**13,851**	**(23,058)**	**14,583**	**(46,529)**
OTHER EXPENSES (INCOME) AND LOSSES (GAINS), NET				
Interest expense	2,490	2,190	5,404	3,795
Interest income	(21)	(241)	(81)	(580)
Other expense (income)	712	(123)	675	(173)
NET INCOME (LOSS) BEFORE INCOME TAXES	**10,670**	**(24,884)**	**8,585**	**(49,571)**
Income tax expense (benefit)	17	(32)	34	30
NET INCOME (LOSS)	**$ 10,653**	**$ (24,852)**	**$ 8,551**	**$ (49,601)**
INCOME (LOSS) PER SHARE:				
Basic	$ 0.11	$ (0.32)	$ 0.10	$ (0.70)
Diluted	$ 0.10	$ (0.32)	$ 0.09	$ (0.70)
Weighted average shares used to compute net income (loss) per share:				
Weighted average common shares outstanding – basic	95,053,207	72,416,614	85,968,962	68,492,911
Weighted average common shares outstanding – diluted	105,951,232	72,416,614	91,769,460	68,492,911

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAITR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2020	2019
Cash flows from operating activities:		
Net income (loss)	$ 8,551	$ (49,601)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Non-cash interest expense	4,453	1,079
Non-cash advertising expense	—	310
Stock-based compensation	1,450	4,552
Equity issued in exchange for services	—	60
Loss on disposal of assets	11	15
Depreciation and amortization	4,139	8,940
Intangible and other asset impairments	29	18
Amortization of capitalized contract costs	183	1,250
Other non-cash income	(22)	—
Changes in assets and liabilities:		
Accounts receivable	(2,849)	(1,734)
Capitalized contract costs	(1,736)	(2,346)
Prepaid expenses and other current assets	2,823	(3,932)
Accounts payable	951	(592)
Restaurant food liability	(84)	6,399
Deferred revenue	(414)	(151)
Income tax payable	34	(25)
Accrued payroll	(265)	4,113
Accrued workers' compensation liability	(117)	(305)
Other current liabilities	1,650	(2,441)
Other noncurrent liabilities	174	40
Net cash provided by (used in) operating activities	**18,961**	**(34,351)**
Cash flows from investing activities:		
Purchases of property and equipment	(381)	(990)
Acquisition of Bite Squad, net of cash acquired	—	(192,568)
Other acquisitions	(290)	—
Collections on notes receivable	36	53
Internally developed software	(1,335)	(155)
Proceeds from sale of property and equipment	7	23
Net cash used in investing activities	**(1,963)**	**(193,637)**
Cash flows from financing activities:		
Waitr shares redeemed for cash	—	(10)
Proceeds from issuance of stock	22,944	50,002
Equity issuance costs	(359)	(4,175)
Proceeds from Additional Term Loans	—	42,080
Proceeds from short-term loans	1,906	5,032
Payments on short-term loans	(3,415)	(658)
Proceeds from exercise of stock options	39	3
Taxes paid related to net settlement on stock-based compensation	(728)	(799)
Net cash provided by financing activities	**20,387**	**91,475**
Net change in cash	**37,385**	**(136,513)**
Cash, beginning of period	29,317	209,340
Cash, end of period	**$ 66,702**	**$ 72,827**
Supplemental disclosures of cash flow information:		
Cash paid during the period for state income taxes	$ —	$ 30
Cash earned during the period for interest	43	—
Cash paid during the period for interest	951	2,715
Supplemental disclosures of non-cash investing and financing activities:		
Stock issued as consideration in Bite Squad acquisition	—	126,574
Conversion of convertible notes to stock	11,888	—
Stock issued in connection with Additional Term Loans	—	3,884
Non-cash gain on debt extinguishment	—	1,897

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAITR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
THREE AND SIX MONTHS ENDED JUNE 30, 2020
(in thousands, except share data)
(unaudited)

Three Months Ended June 30, 2020

	Common stock		Additional paid in capital	Accumulated deficit	Total stockholders' equity
	Shares	Amount			
Balances at March 31, 2020	**80,807,908**	**$ 8**	**$ 392,004**	**$ (364,339)**	**$ 27,673**
Net income	—	—	—	10,653	10,653
Exercise of stock options and vesting of restricted stock units	433,303	—	57	—	57
Taxes paid related to net settlement on stock-based compensation	—	—	(296)	—	(296)
Stock-based compensation	—	—	602	—	602
Stock issued for conversion of Notes	9,222,978	1	11,888	—	11,889
Issuance of common stock	11,918,322	1	16,113	—	16,114
Balances at June 30, 2020	**102,382,511**	**$ 10**	**$ 420,368**	**$ (353,686)**	**$ 66,692**

Six Months Ended June 30, 2020

	Common stock		Additional paid in capital	Accumulated deficit	Total stockholders' equity
	Shares	Amount			
Balances at December 31, 2019	**76,579,175**	**$ 8**	**$ 385,137**	**$ (362,237)**	**$ 22,908**
Net income	—	—	—	8,551	8,551
Exercise of stock options and vesting of restricted stock units	469,293	—	65	—	65
Taxes paid related to net settlement on stock-based compensation	—	—	(755)	—	(755)
Stock-based compensation	—	—	1,450	—	1,450
Stock issued for conversion of Notes	9,222,978	1	11,888	—	11,889
Issuance of common stock	16,111,065	1	22,583	—	22,584
Balances at June 30, 2020	**102,382,511**	**$ 10**	**$ 420,368**	**$ (353,686)**	**$ 66,692**

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAITR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
THREE AND SIX MONTHS ENDED JUNE 30, 2019
(in thousands, except share data)
(unaudited)

Three Months Ended June 30, 2019

	Common stock		Additional paid in capital	Accumulated deficit	Total stockholders' equity
	Shares	Amount			
Balances at March 31, 2019	**69,368,381**	**$ 7**	**$ 331,539**	**$ (95,680)**	**$ 235,866**
Net loss	—	—	—	(24,852)	(24,852)
Gain on debt extinguishment	—	—	1,897	—	1,897
Exercise of stock options and vesting of restricted stock units	8,713	—	2	—	2
Stock-based compensation	—	—	2,519	—	2,519
Equity issued in exchange for services	—	—	30	—	30
Public Warrants exchanged for common stock	—	—	(10)	—	(10)
Issuance of common stock	6,757,000	1	46,425	—	46,426
Balances at June 30, 2019	**76,134,094**	**$ 8**	**$ 382,402**	**$ (120,532)**	**$ 261,878**

Six Months Ended June 30, 2019

	Common stock		Additional paid in capital	Accumulated deficit	Total stockholders' equity
	Shares	Amount			
Balances at December 31, 2018	**54,035,538**	**$ 5**	**$ 200,417**	**$ (70,931)**	**$ 129,491**
Net loss	—	—	—	(49,601)	(49,601)
Gain on debt extinguishment	—	—	1,897	—	1,897
Exercise of stock options and vesting of restricted stock units	9,599	—	3	—	3
Taxes paid related to net settlement on stock-based compensation	(79,900)	—	(799)	—	(799)
Stock-based compensation	—	—	4,552	—	4,552
Equity issued in exchange for services	—	—	60	—	60
Issuance of common stock in connection with Additional Term Loans	325,000	—	3,884	—	3,884
Public Warrants exchanged for common stock	4,494,889	1	(610)	—	(609)
Stock issued as consideration in Bite Squad Merger	10,591,968	1	126,573	—	126,574
Issuance of common stock	6,757,000	1	46,425	—	46,426
Balances at June 30, 2019	**76,134,094**	**$ 8**	**$ 382,402**	**$ (120,532)**	**$ 261,878**

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAITR HOLDINGS INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share data)

1. Organization

Waitr Holdings Inc., a Delaware corporation, together with its wholly-owned subsidiaries (the “Company,” “Waitr,” “we,” “us” and “our”), operates an online food ordering and delivery platform, connecting restaurants and diners in cities across the United States. On January 17, 2019, Waitr acquired BiteSquad.com, LLC (“Bite Squad”), which also operates an online food ordering and delivery platform. The Company connects diners and restaurants via Waitr’s website and mobile application (the “Waitr Platform”) and Bite Squad’s website and mobile application (the “Bite Squad Platform” and together with the Waitr Platform, the “Platforms”). The Company’s Platforms allow consumers to browse local restaurants and menus, track order and delivery status, and securely store previous orders for ease of use and convenience. Restaurants benefit from the online Platforms through increased exposure to consumers for expanded business in the delivery market and carryout sales.

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The unaudited interim condensed consolidated financial statements and accompanying notes have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) and in accordance with the rules and regulations of the United States Securities and Exchange Commission (“SEC”) as they apply to interim financial information. Accordingly, the interim condensed consolidated financial statements do not include all of the information and notes required by GAAP for complete annual financial statements, although the Company believes that the disclosures made are adequate to make information not misleading.

The unaudited interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto, together with management’s discussion and analysis of financial condition and results of operations, contained in our Annual Report on Form 10-K for the year ended December 31, 2019 (the “2019 Form 10-K”). The interim condensed consolidated financial statements are unaudited, but in the Company’s opinion, include all adjustments that are necessary for a fair presentation of the results for the periods presented. The interim results are not necessarily indicative of results that may be expected for any other interim period or the fiscal year.

Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of the Company and all wholly-owned subsidiaries. Intercompany transactions and balances have been eliminated upon consolidation.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in accordance with GAAP requires the Company to make estimates and assumptions that affect the amounts reported in the unaudited condensed consolidated financial statements and accompanying notes. Significant estimates and judgments relied upon in preparing these condensed consolidated financial statements affect the following items:

- determination of the nature and timing of satisfaction of revenue-generating performance obligations and the standalone selling price of performance obligations;
- variable consideration;
- other obligations such as product returns and refunds;
- allowance for doubtful accounts and chargebacks;
- incurred loss estimates under our insurance policies with large deductibles or retention levels;
- income taxes;
- useful lives of tangible and intangible assets;
- depreciation and amortization;
- equity compensation;
- contingencies;
- goodwill and other intangible assets, including the recoverability of intangible assets with finite lives and other long-lived assets;
- impairments; and
- fair value of assets acquired and liabilities assumed as part of a business combination.

The Company regularly assesses these estimates and records changes to estimates in the period in which they become known. The Company bases its estimates on historical experience and various other assumptions believed to be reasonable under the circumstances. Changes in the economic environment, financial markets, and any other parameters used in determining these estimates could cause actual results to differ from those estimates.

Liquidity and Capital Resources

The Company sustained losses from its inception through the first quarter of 2020 and experienced declines in working capital through 2019, resulting from changes in market conditions in the online food ordering and delivery industry, particularly increased competition from other national delivery service providers. In addition, the Company invested heavily in sales and marketing efforts in 2019, further reducing its working capital and liquidity, until the suspension of such efforts in the fourth quarter of 2019.

Management implemented several initiatives in late fiscal 2019, into 2020, with a focus on improving revenue per order, cash flow, profitability and liquidity. These initiatives, which included reductions of staff in November 2019 and January 2020, modifications to the Company's fee structure in August 2019 and February 2020, the closures of approximately 60 unprofitable, non-core markets in December 2019 and January 2020, and the switch to an independent contractor model for delivery drivers, have resulted in the positive results for the six months ended June 30, 2020. Additionally, in March and May 2020, the Company entered into open market sale agreements with respect to at-the-market offering programs, pursuant to which the Company sold 16,111,065 shares of common stock during the six months ended June 30, 2020 for net proceeds of approximately $22,584 (see *Note 12 – Stockholders' Equity*). As of June 30, 2020, cash on hand was $66,702.

The Company's working capital and liquid asset (cash on hand) positions as of June 30, 2020 and December 31, 2019 are as follows (in thousands):

	June 30, 2020	December 31, 2019
Working capital	$ 34,343	$ 9,129
Liquid assets	66,702	29,317

We currently expect that our cash on hand and estimated cash flow from operations will be sufficient to meet our working capital needs beyond twelve months, however, there can be no assurance that we will generate cash flow at the levels we anticipate. We continually evaluate additional opportunities to strengthen our liquidity position, fund growth initiatives and/or combine with other businesses by issuing equity or equity-linked securities (in public or private offerings) and/or incurring additional debt.

Impact of COVID-19 on our Business

In December 2019, an outbreak of a new strain of coronavirus ("COVID-19") began in Wuhan, Hubei Province, China. In March 2020, the World Health Organization declared COVID-19 a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. Waitr has thus far been able to operate effectively during the COVID-19 pandemic. However, the potential impacts and duration of the COVID-19 pandemic on the global economy and on the Company's business, in particular, are uncertain and may be difficult to assess or predict. The pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, which may reduce the Company's ability to access capital and continue to operate effectively. The COVID-19 pandemic could also reduce the demand for the Company's services. In addition, a recession or further financial market correction resulting from the spread of COVID-19 could adversely affect demand for the Company's services. To the extent that the COVID-19 pandemic adversely impacts the Company's business, results of operations, liquidity or financial condition, it may also have the effect of heightening many of the other risks described in the risk factors in the Company's 2019 Form 10-K.

We have taken several steps to help protect and support our restaurant partners, diners, drivers and employees during the COVID-19 outbreak, including offering no-contact delivery for all restaurant delivery orders; offering no-contact grocery delivery in select markets; working with restaurant partners to waive diner delivery fees; deploying free marketing programs for restaurants; and providing masks, gloves and hand sanitizer to drivers. We are closely monitoring the impact of the COVID-19 global outbreak and lifting of any restrictions, although there remains significant uncertainty related to the public health situation globally.

Critical Accounting Policies and Estimates

Except as set forth below, there has been no material change to our critical accounting policies and estimates described in the 2019 Form 10-K.

Revenue

The Company generates revenue ("transaction fees") primarily when diners place an order on one of the Platforms. In the case of diner subscription fees for unlimited delivery, revenue is recognized when payment for the monthly subscription is received. Revenue consists of the following for the periods indicated (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Transaction fees	$ 60,422	$ 50,227	$ 104,233	$ 97,195
Setup and integration fees	36	1,081	414	2,103
Other	48	34	102	76
Total Revenue	**$ 60,506**	**$ 51,342**	**$ 104,749**	**$ 99,374**

Transaction fees represent the revenue recognized from the Company's obligation to process orders on the Platforms. The performance obligation is satisfied when the Company successfully processes an order placed on one of the Platforms and the restaurant receives the order at their location. The obligation to process orders on the Platforms represents a series of distinct performance obligations satisfied over time that the Company combines into a single performance obligation. Consistent with the recognition objective in Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers*, the variable consideration due to the Company for processing orders is recognized on a daily basis. As an agent of the restaurant in the transaction, the Company recognizes transaction fees earned from the restaurant on the Platform on a net basis. Transaction fees also include a fee charged to the end user customer when they request the order be delivered to their location. Revenue is recognized for diner fees once the delivery service is completed. The contract period for substantially all restaurant contracts is one month as both the Company and the restaurant have the ability to unilaterally terminate the contract by providing notice of termination.

During the six months ended June 30, 2019, the Company received non-refundable upfront setup and integration fees for onboarding certain restaurants. Setup and integration activities primarily represented administrative activities that allowed the Company to fulfill future performance obligations for these restaurants and did not represent services transferred to the restaurant. However, the non-refundable upfront setup and integration fees charged to restaurants resulted in a performance obligation in the form of a material right related to the restaurant's option to renew the contract each day rather than provide a notice of termination. Revenue related to setup and integration fees was historically recognized ratably over a two-year period. In connection with modifications to the Company's fee structure in July 2019, the Company discontinued offering fee arrangements with the upfront, one-time setup and integration fee.

The Company sells gift cards on the Bite Squad Platform and recognizes revenue upon gift card redemption. Gift cards that have not yet been utilized amounted to $754 as of June 30, 2020 and are included on the unaudited condensed consolidated balance sheet in other current liabilities.

Significant Judgment

Most of the Company's contracts with restaurants contain multiple performance obligations as described above. For these contracts, the Company accounts for individual performance obligations separately if they are both capable of being distinct, and distinct in the context of the contract. Determining whether products and services are considered distinct performance obligations that should be accounted for separately may require significant judgment.

Judgment is also required to determine the standalone selling price for each distinct performance obligation. The Company used the alternative approach in ASC 606 to allocate the upfront fee between the material right obligation and the transaction fee obligation, which resulted in all of the upfront non-refundable payment at inception of the contract being allocated to the material right obligation. When contracts with customers include other performance obligations, such as ancillary equipment, the Company establishes a single amount to estimate the standalone selling price for the goods or services. In instances where the standalone selling price is not directly observable, it is determined using observable inputs.

Contract Balances

The timing of revenue recognition may differ from the timing of invoicing to restaurants. The Company records a receivable when it has an unconditional right to the consideration. Setup and integration fees were due at inception of the contract; in certain cases, extended payment terms may have been provided for up to six months and are included in accounts receivable. The opening balance of accounts receivable, net was $3,272 and $3,687 as of January 1, 2020 and 2019, respectively. At January 1, 2020, accounts receivable was comprised primarily of credit card receivables due from the credit card processor. Accounts receivable, net at June 30, 2020 totaled $6,121 and was also comprised primarily of receivables from the credit card processor.

Payment terms and conditions on setup and integration fees varied by contract type, although terms typically included a requirement of payment within six months. The Company recorded a contract liability in deferred revenue for the unearned portion of the upfront non-refundable fee. In instances where the timing of revenue recognition differs from the timing of invoicing, the Company has determined its contracts do not include a significant financing component.

Costs to Obtain a Contract with a Customer

The Company recognizes an asset for the incremental costs of obtaining a contract with a restaurant and recognizes the expense over the course of the period when the Company expects to recover those costs. The Company has determined that certain internal sales incentives earned at the time when an initial contract is executed meet these requirements. Capitalized sales incentives are amortized to sales and marketing expense on a straight-line basis over the period of benefit, which the Company has determined to be five years. The Company applies a practical expedient to expense costs as incurred for costs to obtain a contract with a customer when the amortization period would have been one year or less.

Deferred costs related to obtaining contracts with restaurants were $2,051 and $701 as of June 30, 2020 and December 31, 2019, respectively, out of which $443 and $143, respectively, was classified as current. Amortization of expense for the costs to obtain a contract were $94 and $242 for the three months ended June 30, 2020 and 2019, respectively, and $147 and $451 for the six months ended June 30, 2020 and 2019, respectively.

Costs to Fulfill a Contract with a Customer

The Company also recognizes an asset for the costs to fulfill a contract with a restaurant when they are specifically identifiable, generate or enhance resources used to satisfy future performance obligations, and are expected to be recovered. The Company has determined that certain costs related to setup and integration activities meet the capitalization criteria under ASC Topic 340-40, *Other Assets and Deferred Costs*. Costs related to these implementation activities are deferred and then amortized to operations and support expense on a straight-line basis over the period of benefit, which the Company has determined to be five years.

Deferred costs related to fulfilling contracts with restaurants were $473 and $270 as of June 30, 2020 and December 31, 2019, respectively, out of which $103 and $56, respectively, was classified as current. Amortization of expense for the costs to fulfill a contract were $20 and $425 for the three months ended June 30, 2020 and 2019, respectively, and $35 and $799 for the six months ended June 30, 2020 and 2019, respectively.

Stock-Based Compensation

The Company records stock-based compensation expense for stock-based compensation awards based on the fair value on the date of grant. The stock-based compensation expense is recognized in our statement of operations ratably over the course of the requisite service period and is recorded in either operations and support, sales and marketing, research and development, or general and administrative expense, depending on the department of the recipient. In the case of an award pursuant to which a performance condition must be met for the award to vest, no stock-based compensation cost is recognized until such time as the performance condition is considered probable of being met, if at all. If the assessment of probability of the performance condition changes, the impact of the change in estimate would be recognized in the period of change. Because of the non-cash nature of share-based compensation, it is added back to net income in arriving at net cash provided by operating activities in our statement of cash flows.

Earnings Per Share

Under GAAP, certain instruments granted in stock-based payment transactions are considered participating securities prior to vesting and are therefore required to be included in the earnings allocation in calculating earnings per share under the two-class method. Companies are required to treat unvested stock-based payment awards with a right to receive non-forfeitable dividends as a separate class of securities in calculating earnings per share, except in cases where the effect of the inclusion of the participating securities would be antidilutive.

Fair Value Measurements

Certain financial instruments are required to be recorded at fair value. Other financial instruments, including cash, are recorded at cost, which approximates fair value. Additionally, accounts receivable, accounts payable and accrued expenses approximate fair value because of the short-term nature of these financial instruments. As of June 30, 2020 and December 31, 2019, the Company held no financial instruments required to be measured at fair value on a recurring basis.

In addition to assets and liabilities that are recorded at fair value on a recurring basis, the Company is required to record certain assets and liabilities at fair value on a non-recurring basis. The Company generally applies fair value concepts in recording assets and liabilities acquired in acquisitions (see *Note 3 – Business Combinations*).

Recent Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board (the "FASB"), in the form of Accounting Standards Updates ("ASUs"), to the FASB's ASCs.

The Company considered the applicability and impact of all ASUs. ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on these unaudited condensed consolidated financial statements. As an emerging growth company, the Company has elected to use the extended transition period for complying with new or revised financial accounting standards provided pursuant to Section 13 (a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which simplifies the accounting for income taxes by removing certain exceptions to the general principles for income taxes and also improves consistent application by clarifying and amending existing guidance. ASU 2019-12 is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2020. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption is permitted, with the amendments to be applied on a retrospective, modified retrospective or prospective basis, depending on the specific amendment. The Company is currently evaluating the impact that adopting this ASU will have on the unaudited condensed consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820) – Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which removes, modifies or adds disclosure requirements regarding fair value measurements. The amendments in this ASU are effective for all entities beginning after December 15, 2019, with amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and narrative description of measurement uncertainty requiring prospective adoption and all other amendments requiring retrospective adoption. The Company adopted ASU 2018-13 on January 1, 2020. The adoption of ASU 2018-13 did not have a material impact on the Company's disclosures or the unaudited condensed consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation – Stock Compensation (Topic 718)*, to simplify the accounting for share-based payments to non-employees by aligning it with the accounting for share-based payments to employees, with certain exceptions. Under the new standard, equity-classified non-employee awards will be initially measured on the grant date and re-measured only upon modification, rather than at each reporting period. Measurement will be based on an estimate of the fair value of the equity instruments to be issued. ASU 2018-07 is effective for public business entities in fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. For all other entities, the standard is effective in fiscal years beginning after December 15, 2019 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, including in an interim period for which financial statements have not been issued or made available for issuance but not before an entity adopts ASC 606. As an emerging growth company, the Company will not be subject to the requirements of ASU 2018-07 until December 31, 2020. The Company's adoption of this ASU will not have a material impact on the unaudited condensed consolidated financial statements.

In July 2017, the FASB issued ASU No. 2017-11, *Earnings Per Share (Topic 260), Distinguishing Liabilities from Equity (Topic 480) and Derivatives and Hedging (Topic 815): I. Accounting for Certain Financial Instruments with Down Round Features; II. Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception*. Part I of ASU 2017-11 addresses the complexity of accounting for certain financial instruments with down round features. Down round features are features of certain equity-linked instruments (or embedded features) that result in the strike price being reduced based on the pricing of future equity offerings. Current accounting guidance creates cost and complexity for entities that issue financial instruments (such as warrants and convertible instruments) with down round features that require fair value measurement of the entire instrument or conversion option. Part II of ASU 2017-11 addresses the difficulty of navigating ASC Topic 480, *Distinguishing Liabilities from Equity*, because of the existence of extensive pending content in ASC 480. This pending content is the result of the indefinite deferral of accounting requirements about mandatorily redeemable financial instruments of certain nonpublic entities and certain mandatorily redeemable noncontrolling interests. Part II of ASU 2017-11 does not have an accounting effect. ASU 2017-11 is effective for public business entities for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. For all other entities, the standard is effective for fiscal years beginning after December 15, 2019 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. As an emerging growth company, the Company will not be subject to the requirements of ASU 2017-11 until December 31, 2020. The Company is currently evaluating the impact that adopting this ASU will have on the unaudited condensed consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,* to replace the incurred loss impairment methodology under current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The Company will be required to use a forward-looking expected credit loss model for accounts receivables, loans, and other financial instruments. ASU 2016-13 is effective for public business entities for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other entities, the standard is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted for all entities beginning after December 15, 2018, including interim periods within those fiscal years. The Company will no longer qualify as an emerging growth company on December 31, 2021 and will be subject to the requirements of ASU 2016-13 on January 1, 2021. The Company is currently evaluating the impact that adopting this ASU will have on the unaudited condensed consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842).* The principal objective of ASU 2016-02 is to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the consolidated balance sheet. ASU 2016-02 continues to retain a distinction between finance and operating leases but requires lessees to recognize a right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability on the balance sheet for all leases with terms greater than twelve months. In June 2020, the FASB issued ASU No. 2020-05, which amends the effective date of ASU No. 2016-02 to give immediate relief to certain entities as a result of the widespread adverse economic effects and business disruptions caused by the COVID-19 pandemic. The Company will no longer qualify as an emerging growth company on December 31, 2021, and as a result, the relief granted under ASU 2020-05 will not apply and ASU No. 2016-02 is now effective for the Company on January 1, 2021. The Company has not yet completed the process of evaluating the effects that will result from adopting ASU 2016-02.

3. Business Combinations

On January 17, 2019, the Company completed the acquisition of Bite Squad (the “Bite Squad Merger”). Founded in 2012 and based in Minneapolis, Bite Squad operates an online food ordering and delivery platform, similar to Waitr’s Platform, through the Bite Squad Platform. Total merger consideration was $335,858, consisting of $197,404 paid in cash, the pay down of $11,880 of indebtedness of Bite Squad and an aggregate of 10,591,968 shares of the Company’s common stock, par value $0.0001 per share, valued at $11.95 per share.

The Bite Squad Merger was considered a business combination in accordance with ASC 805, and was accounted for using the acquisition method. Under the acquisition method of accounting, total merger consideration, acquired assets and assumed liabilities are recorded based on their estimated fair values on the acquisition date, with the excess of the fair value of merger consideration over the fair value of the assets less liabilities acquired recorded as goodwill.

The results of operations of Bite Squad are included in our unaudited condensed financial statements beginning on the acquisition date, January 17, 2019. Revenue and net loss attributable to Bite Squad for the three months ended June 30, 2019 totaled approximately $26,147 and $7,368, respectively, and for the six months ended June 30, 2019 totaled approximately $49,062 and $11,951, respectively.

In connection with the Bite Squad Merger, the Company incurred direct and incremental costs of $6,956, including debt modification expense of $375, consisting of legal and professional fees, which are included in general and administrative expenses in the unaudited condensed consolidated statement of operations in the six months ended June 30, 2019.

Pro-Forma Financial Information (Unaudited)

The supplemental condensed consolidated results of the Company on an unaudited pro forma basis as if the Bite Squad Merger had been consummated on January 1, 2019 are as follows (in thousands):

	Six Months Ended June 30, 2019
Net Revenue	$ 103,660
Net Loss	51,262

These pro forma results were based on estimates and assumptions, which the Company believes are reasonable. They are not the results that would have been realized had the Company been a consolidated company during the periods presented and are not indicative of consolidated results of operations in future periods. The pro forma results include adjustments primarily related to acquisition accounting adjustments and interest expense associated with the related Additional Term Loans (see *Note 7 – Debt*) in connection with the Bite Squad Merger. Acquisition costs and other non-recurring charges incurred are included in the period presented.

4. Accounts Receivable, Net

Accounts receivable consist of the following (in thousands):

	June 30, 2020	December 31, 2019
Credit card receivables	$ 6,277	$ 2,803
Receivables from restaurants and customers	345	950
Accounts receivable	$ 6,622	$ 3,753
Less: allowance for doubtful accounts and chargebacks	(501)	(481)
Accounts receivable, net	**$ 6,121**	**$ 3,272**

5. Intangibles Assets and Goodwill

Intangible Assets

Intangible assets with finite useful lives are amortized using the straight-line method over their estimated useful lives and include internally developed software, as well as software to be otherwise marketed, and trademarks/trade name/patents and customer relationships. The Company has determined that the Waitr trademark intangible asset is an indefinite-lived asset and therefore is not subject to amortization but is evaluated annually for impairment. The Bite Squad trade name intangible asset, however, is being amortized over its estimated useful life.

Intangible assets are stated at cost or acquisition-date fair value less accumulated amortization and consist of the following (in thousands):

	As of June 30, 2020			
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment	Intangible Assets, Net
Software	$ 22,556	$ (5,065)	$ (11,823)	$ 5,668
Trademarks/Trade name/Patents	5,405	(2,627)	—	2,778
Customer Relationships	82,320	(9,447)	(57,378)	15,495
Total	**$ 110,281**	**$ (17,139)**	**$ (69,201)**	**$ 23,941**

	As of December 31, 2019			
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment	Intangible Assets, Net
Software	$ 21,223	$ (4,113)	$ (11,795)	$ 5,315
Trademarks/Trade name/Patents	5,405	(1,725)	—	3,680
Customer Relationships	82,343	(8,199)	(57,378)	16,766
Total	**$ 108,971**	**$ (14,037)**	**$ (69,173)**	**$ 25,761**

During the six months ended June 30, 2020, the Company capitalized approximately $1,335 of software costs related to the development of the Platforms. The estimated useful life of the Company’s capitalized software costs is three years.

The Company recorded amortization expense of $1,562 and $4,310 for the three months ended June 30, 2020 and 2019, respectively, and $3,102 and $7,945 for the six months ended June 30, 2020 and 2019, respectively. Estimated future amortization expense of intangible assets is as follows (in thousands):

	Amortization
The remainder of 2020	$ 3,794
2021	6,663
2022	4,371
2023	2,834
2024	2,635
Thereafter	3,639
Total future amortization	**$ 23,936**

Goodwill

The Company's goodwill balance is as follows as of June 30, 2020 and December 31, 2019 (in thousands):

	June 30, 2020	December 31, 2019
Balance, beginning of period	$ 106,734	$ 1,408
Acquisitions during the period	—	224,538
Impairments during the period	—	(119,212)
Balance, end of period	**$ 106,734**	**$ 106,734**

6. Other Current Liabilities

Other current liabilities consist of the following (in thousands):

	June 30, 2020	December 31, 2019
Accrued advertising expenses	$ 82	$ 451
Accrued insurance expenses	2,049	949
Accrued estimated workers' compensation expenses	2,016	2,355
Accrued legal contingency	2,000	2,000
Accrued sales tax payable	622	681
Accrued incentive compensation	746	—
Other accrued expenses	3,592	3,469
Other current liabilities	2,816	2,725
Total other current liabilities	**$ 13,923**	**$ 12,630**

7. Debt

The Company's outstanding debt obligations are as follows (in thousands):

	June 30, 2020	December 31, 2019
Term Loans	$ 59,573	$ 69,545
Notes	49,645	61,132
Promissory notes	288	284
	$ 109,506	$ 130,961
Less: unamortized debt issuance costs on Term Loans	(4,434)	(5,115)
Less: unamortized debt issuance costs on Notes	(1,761)	(2,602)
Total long-term debt	**$ 103,311**	**$ 123,244**
Current portion of Term Loans	12,500	—
Short-term loans	2,094	3,612
Total outstanding debt	**$ 117,905**	**$ 126,856**

The following discussion includes a description of the Company's outstanding debt at June 30, 2020 and December 31, 2019. Interest expense related to the Company's outstanding debt totaled $2,490 and $2,190 for the three months ended June 30, 2020 and 2019, respectively, and $5,404 and $3,795 for the six months ended June 30, 2020 and 2019, respectively. Interest expense includes interest on outstanding borrowings and amortization of debt issuance costs.

Limited Waiver and Conversion Agreement

On May 1, 2020, the Company, Waitr Inc., Intermediate Holdings, the lenders party thereto and Luxor Capital entered into a Limited Waiver and Conversion Agreement (the "Waiver and Conversion Agreement"), pursuant to which the lenders under the Credit Agreement agreed to waive the requirement to prepay the Term Loans arising as a result of the May 2020 ATM Offering (as defined in *Note 12 – Stockholders' Equity*). In consideration of the prepayment waiver, the Company agreed that, regardless of whether any shares of the Company's common stock were actually sold in the May 2020 ATM Offering, (i) the Company would prepay a portion of the Term Loans in the amount of $12,500 on the date that is sixty days after the Effective Date (as defined in the Waiver and Conversion

Agreement) and (ii) the lenders under the Notes would be permitted to convert a portion of the outstanding principal amount of the Notes in the amount of $12,500 into shares of the Company's common stock at a conversion rate of 746.269 shares of the Company's common stock per one thousand principal amount of the Notes (calculated based on the closing price of $1.34 per share of the Company's common stock on Nasdaq on April 30, 2020, the date immediately preceding the date of the Waiver and Conversion Agreement), notwithstanding the conversion rate then in effect pursuant to the terms of the Notes. See *Debt Facility* and *Notes* below for definitions of certain capitalized terms included above and details on the prepayment of the Term Loans and conversion of Notes.

The Company evaluated the amendments in the Waiver and Conversion Agreement under ASC 470-50, "*Debt Modification and Extinguishment*", and concluded that the amendments did not meet the characteristics of debt extinguishments under ASC 470-50. Accordingly, the amendments were treated as a debt modification, and thus, no gain or loss was recorded. A new effective interest rate that equates the revised cash flows to the carrying amount of the original debt is computed and applied prospectively.

Debt Facility

On November 15, 2018, Waitr Inc., a Delaware corporation and wholly-owned indirect subsidiary of the Company, as borrower, entered into the Credit and Guaranty Agreement, dated as of November 15, 2018 (as amended or otherwise modified from time to time, the "Credit Agreement") with Luxor Capital Group, LP ("Luxor Capital"), as administrative agent and collateral agent, the various lenders party thereto, Waitr Intermediate Holdings, LLC, a Delaware limited liability company ("Intermediate Holdings") and wholly-owned direct subsidiary of the Company, and certain subsidiaries of Waitr Inc. as guarantors. The Credit Agreement provided for a senior secured first priority term loan facility (the "Debt Facility") to Waitr Inc. in the aggregate principal amount of $25,000 (the "Original Term Loans"). An amendment to the Credit Agreement on January 17, 2019 provided an additional $42,080 under the Debt Facility (the "Additional Term Loans" and together with the Original Term Loans, the "Term Loans"), the proceeds of which were used to consummate the Bite Squad Merger. The Term Loans are guaranteed by certain subsidiaries of the Company.

Interest on borrowings under the Debt Facility accrues at a rate of 7.125% per annum, payable quarterly, in cash or, at the election of the borrower, as a payment-in-kind. The interest payments due since September 30, 2019 have been paid in-kind and added to the aggregate principal balance. The aggregate principal amount of the Term Loans at June 30, 2020 totaled $72,073. Of this amount, $12,500 associated with the payment pursuant to the Waiver and Conversion Agreement was classified as current in the unaudited condensed consolidated balance sheet at June 30, 2020. The effective interest rate for borrowings on the Debt Facility, after considering the allocated discount, is approximately 10.59%.

See *Note 15 – Subsequent Events* for additional details on the $12,500 Term Loan payment and on an additional payment on the Term Loans in connection with an amendment to the Credit Agreement on July 15, 2020, pursuant to which adjustments were made to the interest rate and maturity date of the Term Loans.

The Credit Agreement includes a number of customary covenants that, among other things, limit or restrict the ability of each of Intermediate Holdings, Waitr Inc. and its subsidiaries to incur additional debt, incur liens on assets, engage in mergers or consolidations, dispose of assets, pay dividends or repurchase capital stock and repay certain junior indebtedness. The aforementioned restrictions are subject to certain exceptions including the ability to incur additional indebtedness, liens, dividends, and prepayments of junior indebtedness subject, in each case, to compliance with certain financial metrics and/or certain other conditions and a number of other traditional exceptions that grant Waitr Inc. continued flexibility to operate and develop its business. The Credit Agreement also includes customary affirmative covenants, representations and warranties and events of default. We believe that we were in compliance with all covenants under the Credit Agreement as of June 30, 2020.

In connection with the Debt Facility, the Company issued to Luxor Capital warrants which are currently exercisable for 399,726 shares of the Company's common stock. See *Note 12 – Stockholders' Equity* for additional details.

Notes

On November 15, 2018, the Company entered into the Credit Agreement, dated as of November 15, 2018 (as amended or otherwise modified from time to time, the "Convertible Notes Agreement"), pursuant to which the Company issued unsecured convertible promissory notes to Luxor Capital Partners, LP, Luxor Capital Partners Offshore Master Fund, LP, Luxor Wavefront, LP and Lugard Road Capital Master Fund, LP (the "Luxor Entities") in the aggregate principal amount of $60,000 (the "Notes").

The Notes originally had an interest rate of 1.0% per annum, paid quarterly in cash. Pursuant to an amendment to the Convertible Notes Agreement on May 21, 2019, the interest rate of the Notes was revised to 6.0% (half payable in cash and half as payment-in-kind). A portion of the interest payments due since June 30, 2019 have been paid in-kind and added to the aggregate principal balance. During the three months ended June 30, 2020, in connection with the Waiver and Conversion Agreement, Luxor converted $12,359 of the Notes into 9,222,978 shares of the Company's common stock. The aggregate principal amount of the Notes, after considering the impact of interest paid-in-kind and the conversions, totaled $49,645 as of June 30, 2020. The effective interest rate for borrowings on the Notes, after considering the allocated discount, is approximately 7.62%.

See *Note 15 – Subsequent Events* for details on an additional conversion of the Notes and revisions to the interest rate and maturity date of the Notes in connection with an amendment to the Convertible Notes Agreement on July 15, 2020. Upon maturity, the outstanding Notes (and any accrued but unpaid interest) will be repaid in cash or converted into shares of common stock, at the holder's election.

The Notes include customary anti-dilution protection, including broad-based weighted average adjustments for issuances of additional shares (down-round features). The Notes are convertible at the holder's election into shares of the Company's common stock at a rate of $12.51 per share.

The Company's payment obligations on the Notes are not guaranteed. The Convertible Notes Agreement contains negative covenants, affirmative covenants, representations and warranties and events of default that are substantially similar to those that are set forth in the Credit Agreement and applicable to Waitr Inc. and Intermediate Holdings (except those that relate to collateral and related security interests, which are not contained in the Convertible Notes Agreement or otherwise applicable to the Notes). We believe that we were in compliance with all covenants under the Convertible Notes Agreement as of June 30, 2020.

Promissory Notes

On September 27, 2019, the Company entered into an interest-free promissory note to fund a portion of an acquisition. The principal amount of the promissory note was initially $500, payable in 24 monthly installments, with payments expected to begin shortly after integration of the acquired assets onto the Company's platform. The Company recorded the promissory note at its fair value of $452 and will impute interest over the life of the note using an interest rate of 10%, representing the estimated effective interest rate at which the Company could obtain financing. On February 13, 2020, the Company entered into an amendment to the asset purchase agreement, whereby the promissory note was amended to $600, payable in 30 monthly installments, commencing on March 1, 2020. The current portion of the promissory note of $186 is included in other current liabilities in the unaudited condensed consolidated balance sheet at June 30, 2020.

On October 1, 2019, the Company entered into an interest-free promissory note to fund a portion of an additional acquisition. The principal amount of the promissory note is $100, payable in 24 monthly installments. Payments commenced on January 15, 2020. The Company recorded the promissory note at its fair value of $90 and will impute interest over the life of the note using an interest rate of 10%, representing the estimated effective interest rate at which the Company could obtain financing. The current portion of the promissory note of $45 is included in other current liabilities in the unaudited condensed consolidated balance sheet at June 30, 2020.

Short-Term Loans

On June 26, 2019, the Company entered into a loan agreement with First Insurance Funding to finance a portion of its annual insurance premium obligation. The principal amount of the loan was $5,032, payable in monthly installments, until maturity. The loan matured on April 1, 2020 and carried an annual interest rate of 4.08%. On May 16, 2020, the Company entered into an additional loan agreement with First Insurance Funding for $362 in principal amount, payable in ten monthly installments until maturity on February 28, 2021. The loan carries an annual interest rate of 3.49% and had an outstanding principal balance at June 30, 2020 of $291.

On November 15, 2019, the Company entered into a loan agreement with BankDirect Capital Finance to finance a portion of its annual directors and officers insurance premium obligation. The principal amount of the loan is $1,993, payable in monthly installments, until maturity. The loan matures on August 15, 2020 and carries an annual interest rate of 4.15%. As of June 30, 2020, $449 was outstanding under such loan.

On June 1, 2020, the Company entered into a loan agreement with IPFS Corporation to finance a portion of its annual general liability insurance premium obligation. The principal amount of the loan is $1,354, payable in monthly installments beginning July 1, 2020, until maturity. The loan matures on May 31, 2021 and carries an annual interest rate of 3.99%.

8. Deferred Revenue

Deferred revenue is comprised of unearned setup and integration fees. The Company's opening deferred revenue balance was $459 and $4,670 as of January 1, 2020 and January 1, 2019, respectively. The Company recognized $36 and $1,081 of setup and integration revenue during the three months ended June 30, 2020 and 2019, respectively, and $414 and $2,103 during the six months ended June 30, 2020 and 2019, respectively, which was included in the deferred revenue balances at the beginning of the respective periods.

Transaction Price Allocated to the Remaining Performance Obligations

As of June 30, 2020, $47 of revenue is expected to be recognized from remaining performance obligations for setup and integration fees over the next 12 months.

9. Income Taxes

The Company provides for income taxes using an asset and liability approach under which deferred income taxes are provided for based upon enacted tax laws and rates applicable to periods in which the taxes become payable. The Company recorded income tax expense (benefit) of $17 and $(32) for the three months ended June 30, 2020 and 2019, respectively, and $34 and $30 for the six months ended June 30, 2020 and 2019, respectively. The Company's income tax expense is entirely related to taxes required on gross margins in Texas. A partial valuation allowance has been recorded as of June 30, 2020 and December 31, 2019 as the Company has historically generated net operating losses, and the Company did not consider future book income as a source of taxable income when assessing if a portion of the deferred tax assets is more likely than not to be realized.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security ("CARES") Act was enacted and signed into law and GAAP requires recognition of the tax effects of new legislation during the reporting period that includes the enactment date. The CARES Act includes changes to the tax provisions that benefit business entities and makes certain technical corrections to the Tax Cuts and Jobs Act of 2017. The tax relief measures for businesses include a five-year net operating loss carryback, suspension of annual deduction limitation of 80% of taxable income from net operating losses generated in a tax year beginning after December 31, 2017, changes in the deductibility of interest, acceleration of alternative minimum tax credit refunds, payroll tax relief, and a technical correction to allow accelerated deductions for qualified improvement property. The CARES Act also provides other non-tax benefits to assist those impacted by the pandemic. The Company evaluated the impact of the CARES Act and determined that there was no significant impact to the income tax provision for the quarter.

As of June 30, 2020, the Company recognized $187 in employer payroll tax deferrals under the CARES Act, of which 50% will be paid in 2021 and 50% will be paid in 2022. These amounts are reflected in other non-current liabilities in the accompanying unaudited condensed consolidated balance sheet.

10. Commitments and Contingencies

Sales Tax Contingent Liability

The Company received an assessment from the State of Mississippi Department of Revenue (the "MDR"), in connection with their audit of Waitr for the period from April 2017 through January 2019, claiming additional sales taxes due. The assessment relates to the MDR's assertion that sales taxes are due on the delivery fees charged to end user customers when an order is placed on the Waitr Platform. The total asserted claim, plus estimated accrued interest and penalties, amounts to approximately $339 at June 30, 2020. We disagree with the MDR's assertion that our delivery fees are subject to sales tax and that we are liable for such sales taxes. We are in the process of appealing the MDR's assessment.

Workers' Compensation Claim

On November 27, 2017, Guarantee Insurance Company ("GIC"), the Company's former workers' compensation insurer, was ordered into receivership for purposes of liquidation by the Second Judicial Circuit Court in Leon County, Florida. At the time of the court order, GIC was administering the Company's outstanding workers' compensation claims. Upon entering receivership, the guaranty associations of the states where GIC operated began reviewing outstanding claims administered by GIC for continued claim coverage eligibility based on guaranty associations' eligibility criteria. The Company's net worth exceeded the threshold of $25,000 established by the Louisiana Insurance Guaranty Association ("LIGA") when determining eligibility for claims coverage. As such, LIGA assessed the Company's outstanding claim as ineligible for coverage. As of June 30, 2020 and December 31, 2019, the Company had $362 and $641, respectively, in workers' compensation liabilities associated with the GIC claims. The Company recorded no general and administrative expense related to these liabilities during the three or six months ended June 30, 2020 or 2019.

Legal Matters

On July 14, 2016, Waiter.com, Inc. filed a lawsuit against Waitr Incorporated, the Company's wholly-owned subsidiary, in the United States District Court for the Western District of Louisiana, alleging trademark infringement based on Waitr's use of the "Waitr" trademark and logo, Civil Action No.: 2:16-CV-01041. Plaintiff seeks injunctive relief and damages relating to Waitr's use of the "Waitr" name and logo. The trial date has been postponed indefinitely due to the COVID-19 pandemic. Waitr believes that this case lacks merit and that it has strong defenses to all of the infringement claims alleged. Waitr intends to vigorously defend the suit.

In February 2019, the Company was named a defendant in a lawsuit titled Halley, et al vs. Waitr Holdings Inc. filed in the United States District Court for the Eastern District of Louisiana on behalf of plaintiff and similarly situated drivers alleging violations of the Fair Labor Standards Act ("FLSA"), and in March 2019, the Company was named a defendant in a lawsuit titled Montgomery v. Waitr Holdings Inc. filed in the United States District Court for the Eastern District of Louisiana on behalf of plaintiff and similarly situated drivers, alleging violations of FLSA and Louisiana Wage Payment Act. The parties to the Halley and Montgomery matters jointly filed with the court a motion for preliminary approval of a settlement agreement (the "Motion") whereby the Halley and Montgomery plaintiffs, on behalf of themselves and similarly situated drivers, will dismiss the lawsuits against the Company in consideration for the Company issuing up to 1,556,420 shares of Waitr common stock to be allocated to participating class members pursuant to a formula set forth in the settlement agreement. On April 28, 2020, the court granted the Motion and scheduled a fairness hearing for August 19, 2020.

On September 26, 2019, Christopher Meaux, David Pringle, Jeff Yurecko, Tilman J. Fertitta, Richard Handler, Waitr Holdings Inc. f/k/a Landcadia Holdings Inc., Jefferies Financial Group, Inc. and Jefferies, LLC were named as defendants in a putative class action lawsuit entitled *Walter Welch, Individually and on Behalf of all Others Similarly Situated vs. Christopher Meaux, David Pringle, Jeff Yurecko, Tilman J. Fertitta, Richard Handler, Waitr Holdings Inc. f/k/a Landcadia Holdings Inc., Jefferies Financial Group, Inc. and Jefferies, LLC*. The case was filed in the Western District of Louisiana, Lake Charles Division. In the lawsuit, the plaintiff asserts putative class action claims alleging, inter alia, that various defendants made false and misleading statements in securities filings, engaged in fraud, and violated accounting and securities rules. A similar putative class action lawsuit, entitled *Kelly Bates, Individually and on Behalf of all Others Similarly Situated vs. Christopher Meaux, David Pringle, Jeff Yurecko, Tilman J. Fertitta, Richard Handler, Waitr Holdings Inc. f/k/a Landcadia Holdings Inc., Jefferies Financial Group, Inc. and Jefferies, LLC*, was filed in that same court on November 4, 2019. Waitr expects the court will determine a lead plaintiff and the two cases will be consolidated. Waitr believes that these cases lack merit and that it has strong defenses to all of the claims alleged. Waitr intends to vigorously defend both lawsuits.

In addition to the lawsuits described above, Waitr is involved in other litigation arising from the normal course of business activities, including, without limitation, lawsuits involving claims for personal injuries, physical damage and workers' compensation benefits suffered as a result of alleged Waitr drivers, independent contractors, and third-party negligence. Although Waitr believes that it maintains insurance that generally covers its liability for damages, if any, insurance coverage is not guaranteed, and Waitr could suffer material losses as a result of these claims or the denial of coverage for such claims.

11. Stock-Based Awards and Cash-Based Awards

Stock-Based Awards

On June 16, 2020, the Company's stockholders approved the Waitr Holdings Inc. Amended and Restated 2018 Omnibus Incentive Plan (the "Amended 2018 Plan"), which is an amendment and restatement of the Waitr Holdings Inc. 2018 Omnibus Incentive Plan (the "2018 Incentive Plan"). The Amended 2018 Plan permits the granting of awards in the form of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance-based awards, and other stock-based or cash-based awards. The Amended 2018 Plan was adopted principally to serve as a successor plan to the 2018 Incentive Plan, and to increase the number of shares of common stock reserved for issuance of equity-based awards by 13,500,000 shares, which is in addition to the share reserve amount that remained available under the 2018 Incentive Plan prior to the adoption of the Amended 2018 Plan. Additionally, the Amended 2018 Plan extended the provision for automatic increases in shares reserved for issuance on January 1st of each year to January 1, 2030. The automatic increases each year are equal to 5% of the total number of outstanding shares of the Company's common stock on December 31st of the preceding calendar year. As of June 30, 2020, there were 7,675,686 shares of common stock available for future grants pursuant to the Amended 2018 Plan. The Company also has outstanding equity awards under the 2014 Stock Plan (as amended in 2017, the "Amended 2014 Plan").

Total compensation expense related to awards under the Company's incentive plans was $602 and $2,519 for the three months ended June 30, 2020 and 2019, respectively, and $1,450 and $4,552 for the six months ended June 30, 2020 and 2019, respectively.

Stock Options

On January 3, 2020, 9,572,397 stock options were granted under the 2018 Incentive Plan to the Company's chief executive officer (the "Grimstad Option"), with an aggregate grant date fair value of $2,297. The exercise price of the options is $0.37, and the options will vest 50% on each of the first two anniversaries of the grant date. The options have a five-year exercise term. The fair value of the Grimstad Option was estimated as of the grant date using an option-pricing model with the following assumptions:

	Three Months Ended June 30, 2020
Weighted-average fair value at grant	$ 0.24
Risk free interest rate	1.54%
Expected volatility	100.6%
Expected option life (years)	3.25

The Grimstad Option was not exercisable upon vesting unless the stockholders of the Company approved an amendment to the 2018 Incentive Plan to increase the number of shares of common stock available for award under such plan by an amount at least equal to the number of shares of common stock underlying the Grimstad Option, subject to certain provisions. On June 16, 2020, as discussed above, the Company's stockholders approved the Amended 2018 Plan, which included a 13,500,000 increase in common shares reserved for issuance of equity-based awards under such plan.

As of June 30, 2020, there were 9,789,600 stock options outstanding under the Company's incentive plans. Unrecognized compensation cost related to unvested stock options as of June 30, 2020 totaled $2,135, with a weighted average remaining vesting period of approximately 1.51 years.

Performance-Based Restricted Stock Units ("RSUs")

On April 23, 2020, 3,134,325 performance based RSUs were granted (the "Grimstad RSU Grant") under the 2018 Incentive Plan to Mr. Grimstad, with an aggregate grant date fair value of $3,542. The Grimstad RSU Grant vests in full in the event of a Corporate Change, as defined in Mr. Grimstad's employment agreement with the Company (the "Employment Agreement"), subject to his continuous employment with the Company through the date of a Corporate Change; provided, however, that the Grimstad RSU Grant shall fully vest in the event that Mr. Grimstad terminates his employment for Good Reason (as defined therein) or he is terminated by the Company for reason other than Misconduct (as defined therein) prior to a Corporate Change. No stock-based compensation expense will be recognized for the Grimstad RSU Grant until such time that is probable that the performance goal will be achieved, or at the time that Mr. Grimstad terminates his employment for Good Reason or he is terminated by the Company for reason other than Misconduct, should either occur.

Restricted Stock Units with Time-Based Vesting

During the six months ended June 30, 2020, 2,754,501 RSUs were granted to certain employees and certain members of the board of directors of the Company pursuant to the 2018 Incentive Plan and the Amended 2018 Plan, with an aggregate grant date fair value of $5,376. The RSU grants vest in various manners in accordance with the terms specified in the applicable RSU award agreements, with 1,400,000 RSUs granted to certain non-employee directors vesting upon the earlier of June 30, 2021 and the date of the 2021 annual meeting of the Company's stockholders and 1,354,501 RSUs granted to employees vesting generally between one to three years from the date of grant, all of which accelerate and vest upon a change of control.

A total of 545,319 RSUs vested during the six months ended June 30, 2020 and 1,459,580 RSUs were forfeited prior to vesting. As of June 30, 2020, there were 3,932,241 unvested time-based RSUs outstanding under the Company's incentive plans. Unrecognized compensation cost related to unvested time-based RSUs as of June 30, 2020 totaled $6,466, with a weighted average remaining vesting period of approximately 1.41 years.

Cash-Based Awards

Performance Bonus Agreement

On April 23, 2020, the Company entered into a performance bonus agreement with Mr. Grimstad (the "Bonus Agreement"). Pursuant to the Bonus Agreement, upon the occurrence of a Corporate Change (as defined in the Employment Agreement) in which the holders of the Company's common stock receive per share consideration that is equal to or greater than $2.00, subject to adjustment in accordance with the 2018 Incentive Plan, the Company shall pay Mr. Grimstad an amount equal to $5,000 (the "Bonus"). In order to receive the Bonus, Mr. Grimstad must remain continuously employed with the Company through the date of the Corporate Change; provided, however, that in the event Mr. Grimstad terminates his employment for Good Reason (as defined in the Employment Agreement) or the Company terminates his employment other than for Misconduct (as defined in the Employment Agreement), Mr. Grimstad will be entitled to receive the Bonus provided the Corporate Change occurs on or before January 3, 2022. Expense related to the Bonus Agreement will not be recognized until such time that is probable that the performance goal will be achieved.

12. Stockholders' Equity

Common Stock

At June 30, 2020 and December 31, 2019, there were 249,000,000 shares of common stock authorized and 102,382,511 and 76,579,175 shares of common stock issued and outstanding, respectively, with a par value of $0.0001. The Company did not hold any shares as treasury shares as of June 30, 2020 or December 31, 2019. The Company's common stockholders are entitled to one vote per share.

Preferred Stock

At June 30, 2020 and December 31, 2019, the Company was authorized to issue 1,000,000 shares of preferred stock ($0.0001 par value per share). There were no issued or outstanding preferred shares as of June 30, 2020 or December 31, 2019.

At-the-Market Offerings

On March 20, 2020, the Company entered into an open market sale agreement with respect to an at-the-market offering program (the "ATM Program") under which the Company could offer and sell, from time to time at its sole discretion, shares of its common stock, having an aggregate offering price of up to $25,000 through Jefferies LLC as its sales agent. The issuance and sale of shares by the Company under the agreement were made pursuant to the Company's effective registration statement on Form S-3 which was filed on April 4, 2019. From March 20, 2020 through June 30, 2020, the Company sold 14,262,305 shares of common stock under the ATM Program at an average price of $1.28 per share, for gross proceeds of $18,314. Net proceeds, after deducting sales commissions, totaled $18,024. The ATM Program was terminated on May 1, 2020 when the Company entered into the May 2020 ATM Program (defined below), with approximately $6,686 out of the aggregate $25,000 remaining unsold.

On May 1, 2020, the Company entered into an amendment and restatement of the open market sale agreement associated with its March 20, 2020 ATM Program, with respect to an at-the-market offering program (the "May 2020 ATM Program"), under which the Company could offer and sell, from time to time at its sole discretion, shares of its common stock, having an aggregate offering price of up to $30,000 through Jefferies LLC as its sales agent. The issuance and sale of shares by the Company under the amended and restated agreement were made pursuant to the Company's registration statement on Form S-3 described above. From May 1, 2020 through June 30, 2020, the Company sold 1,848,760 shares of common stock under the May 2020 ATM Program at an average price of $2.50 per share, for gross proceeds of $4,630. Net proceeds, after deducting sales commissions, totaled $4,560. The remaining $25,370 under the May 2020 ATM Program was sold in early July 2020 (see *Note 15 – Subsequent Events*).

Conversion of Notes

During the three months ended June 30, 2020, in connection with the Waiver and Conversion Agreement, Luxor converted $12,359 of the Notes into 9,222,978 shares of the Company's common stock (see *Note 7 – Debt*). Luxor converted additional Notes in July 2020 (see *Note 15 – Subsequent Events*).

Warrants

In connection with the Debt Facility, the Company issued to Luxor Capital warrants (the "Debt Warrants") which are currently exercisable for 399,726 shares of the Company's common stock with an exercise price of $12.51 per share. The Debt Warrants expire on November 15, 2022 and include customary anti-dilution protection, including broad-based weighted average adjustments for issuances of additional shares (down-round features). Additionally, holders of the Debt Warrants have customary registration rights with respect to the shares underlying the Debt Warrants.

13. Earnings (Loss) Per Share Attributable to Common Stockholders

Basic earnings (loss) per share is computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of common stock outstanding during the period, without consideration for common stock equivalents. Diluted earnings (loss) per share attributable to common stockholders is computed by dividing net income (loss) by the weighted-average number of common stock outstanding during the period and potentially dilutive common stock equivalents, including stock options, restricted stock awards, restricted stock units and warrants, except in cases where the effect of the common stock equivalent would be antidilutive.

During 2019, the Company calculated basic and diluted earnings per share using the two-class method. Participating securities during 2019 consisted of restricted stock awards which contained rights to receive non-forfeitable dividends. The Company had net losses during the three and six months ended June 30 2019, and accordingly, pursuant to the guidance under ASC 260, a portion of the net losses was not allocated to such securities under the two-class method. During 2020, there were no remaining outstanding restricted stock awards and no other securities classified as participating securities.

The calculation of basic and diluted earnings (loss) per share attributable to common stockholders for the three and six months ended June 30, 2020 and 2019 is as follows (in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Basic Earnings per Share:				
Net income (loss)	$ 10,653	$ (24,852)	$ 8,551	$ (49,601)
Gain on debt extinguishment recorded as a capital contribution	—	1,897	—	1,897
Net income (loss) attributable to common stockholders - basic	**$ 10,653**	**$ (22,955)**	**$ 8,551**	**$ (47,704)**
Weighted average number of shares outstanding - basic	95,053,207	72,416,614	85,968,962	68,492,911
Basic earnings (loss) per common share	**$ 0.11**	**$ (0.32)**	**$ 0.10**	**$ (0.70)**
Diluted Earnings per Share:				
Net income (loss)	$ 10,653	$ (24,852)	$ 8,551	$ (49,601)
Gain on debt extinguishment recorded as a capital contribution	—	1,897	—	1,897
Net income (loss) attributable to common stockholders - diluted	**$ 10,653**	**$ (22,955)**	**$ 8,551**	**$ (47,704)**
Weighted average number of shares outstanding – diluted	105,951,232	72,416,614	91,769,460	68,492,911
Diluted earnings (loss) per common share	**$ 0.10**	**$ (0.32)**	**$ 0.09**	**$ (0.70)**

During the three and six months ended June 30, 2019, the Company recorded a gain on debt extinguishment of $1,897 as a capital contribution in accordance with the guidance in ASC 470-50.

The Company has outstanding Notes which are convertible into shares of the Company's common stock. See *Note 7 – Debt* for additional details on the Notes.

The following table includes potentially dilutive common stock equivalents as of June 30, 2020 and 2019. The Company generated a net loss attributable to the Company's common stockholders for the three and six months ended June 30, 2019. Accordingly, the effect of dilutive securities is not considered in the loss per share for such periods because their effect would be antidilutive on the net loss. For the three and six months ended June 30, 2020, 86,747 stock options were considered anti-dilutive because the exercise price of the options exceeded the average market price of the Company's common stock for such periods, and as a result, the effect of these options in not considered in the diluted earnings per share for such periods. At June 30, 2020, antidilutive restricted stock units of 1,917,091 were excluded from the computation of diluted earnings per share based on the treasury stock method.

	As of June 30,	
	2020	2019
Potentially dilutive securities:		
Stock Options	9,789,600	846,919
Restricted Stock Units	7,066,566	580,991
Warrants (1)	399,726	399,726
Potentially dilutive securities at period end	**17,255,892**	**1,827,636**

(1) Includes the Debt Warrants as of June 30, 2020 and 2019. See *Note 12 – Stockholders' Equity* for additional details.

14. Related-Party Transactions

On November 15, 2018, the Company entered into the Credit Agreement, and on January 17, 2019, in connection with the Bite Squad Merger, the Company entered into an amendment to the Credit Agreement with Luxor Capital and an amendment to the Convertible Notes Agreement with the Luxor Entities. On May 21, 2019, in connection with the Offering, the Company entered into a second amendment to the Credit Agreement with Luxor Capital and a second amendment to the Convertible Notes Agreement with the Luxor Entities. Additionally, on May 1, 2020, the Company entered into the Waiver and Conversion Agreement with respect to the Credit Agreement and Convertible Notes Agreement. See *Note 7 – Debt* for additional details regarding these transactions. Jonathan Green, a board member of the Company, is a partner at Luxor Capital.

During the period from January 1, 2020 through July 31, 2020, the Company reimbursed C Grimstad and Associates, a company owned by our chief executive officer ("CGA"), $247 for certain of its consultants that provided consulting services to the Company during this period. As of July 1, 2020, CGA is no longer providing consulting services and CGA did not mark-up or profit from these reimbursement transactions.

15. Subsequent Events

At-the-Market Offering

During the period from July 1, 2020 through July 10, 2020, the Company sold 7,587,655 shares of common stock under the May 2020 ATM Program at an average price of $3.34 per share, for gross proceeds of $25,370. Net proceeds, after deducting sales commissions, totaled $24,990. This marked the completion of the May 2020 ATM Program.

Limited Waiver and Conversion Agreement

In connection with the Waiver and Conversion Agreement (see *Note 7 – Debt*), the $12,500 payment on the Term Loans, classified as a current liability in the accompanying unaudited condensed consolidated balance sheet at June 30, 2020, was made on July 2, 2020.

Additionally, on July 16, 2020, $141 of Notes were converted into 105,384 shares of the Company’s common stock, representing the final conversion of Notes pursuant to the Waiver and Conversion Agreement.

Amended Loan Agreements

On July 15, 2020, the Company entered into an amendment to the Credit Agreement and an amendment to the Convertible Notes Agreement (together, the “Amended Loan Agreements”), pursuant to which each of the Loan Agreements was amended to provide that, upon the prepayment of $10,500 of the Term Loans under the Credit Agreement, the interest rate under such Loan Agreements will be reduced by 200 basis points for a one-year period, so that the interest rate under the Credit Agreement will be 5.125% per annum and the interest rate under the Convertible Notes Agreement will be 4.0% per annum during such period, and the maturity date under such Loan Agreements will be extended by one year to November 15, 2023. The $10,500 payment on the Term Loans was made on August 3, 2020.

Issuances of Restricted Stock Units

During the period from July 1, 2020 through August 6, 2020, the Company granted 1,240,000 restricted stock units pursuant to the Amended 2018 Plan, with an aggregate grant date fair value of approximately $3,267. The majority of such restricted stock units are scheduled to vest over a three-year period, with accelerated vesting upon a change of control.

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q (the "Form 10-Q") and with the audited consolidated financial statements included in the Company's 2019 Form 10-K filed with the SEC on March 16, 2020. Dollar amounts in this discussion are expressed in thousands, except as otherwise noted.

Cautionary Statement Regarding Forward-Looking Statements

This Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. All statements, other than statements of historical or current facts, that reflect future plans, estimates, beliefs and expected performance are forward-looking statements. In some cases, you can identify forward-looking statements because they are preceded by, followed by or include words such as "may," "can," "should," "will," "estimate," "plan," "project," "forecast," "intend," "expect," "anticipate," "believe," "seek," "target" or similar expressions. These forward-looking statements are based on information available as of the date of this Form 10-Q and our management's current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties, including the following factors, in addition to the factors discussed elsewhere in this Form 10-Q, and the factors discussed in our 2019 Form10-K (Part I, Item 1A, *Risk Factors*), and in our subsequent quarterly reports (Part II, Item 1A. *Risk Factors*):

- general economic and business risks affecting our industry that are largely beyond our control;
- our limited operational history and development risks associated with the development of any new business;
- failure to retain existing diners or add new diners or our diners decreasing their number of orders or order sizes on the Platforms;
- loss of restaurants on the Platforms, including due to changes in our fee structure;
- declines in our delivery service levels or lack of increases in business for restaurants;
- inability to maintain and enhance our brands or occurrence of events that damage our reputation and brands, including unfavorable media coverage;
- failure of restaurants in our networks to maintain their service levels;
- seasonality and the impact of inclement weather;
- inability to grow at historical growth rates or achieve profitability;
- inability to manage growth and meet demand;
- economic downturns or other events (such as the scope, scale and duration of the impact of COVID-19, or similar widespread health/pandemic outbreaks);
- prioritization of experience of restaurants and diners over short-term profitability;
- slower than anticipated growth in the use of the Internet via websites, mobile devices and other platforms;
- changes in our products or to operating systems, hardware, networks or standards that our operations depend on;
- potential liability and expenses for legal claims;
- dependence of our business on our ability to maintain and scale our technical infrastructure;
- personal data, internet security breaches or loss of data provided by our diners, drivers or restaurants on our Platforms;
- inability to comply with applicable law or standards if we become a payment processor at some point in the future;
- risks related to the credit card and debit card payments we accept;
- reliance on third-party vendors to provide products and services;
- the highly competitive and fragmented nature of our industry;
- substantial competition in technology innovation and distribution and inability to continue to innovate and provide technology desirable to diners and restaurants;
- dependence on search engines, display advertising, social media, email, content-based online advertising and other online sources to attract diners to the Platforms;
- inability to attract diners and convert them into Active Diners (as defined under Key Business Metrics below) making orders in a cost-effective manner;
- loss of senior management or key operating personnel and dependence on skilled personnel to grow and operate our business;
- driver shortages and increases in driver compensation;
- major hurricanes, tropical cyclones, and other instances of severe weather and other natural phenomena;
- increases in food, labor, fuel and other costs;
- plans to make acquisitions;
- federal, state, and foreign laws and regulations regarding privacy, data protection, and other matters;
- failure to protect our intellectual property;
- patent lawsuits and other intellectual property rights claims;

- our use of open source software;
- insufficient capital to pursue business objectives and respond to business opportunities, challenges or unforeseen circumstances;
- unionization of our employees;
- failure of our independent contract drivers to meet our contractual obligations or otherwise perform in a manner consistent with our requirements;
- determination by regulators or judicial process that our independent contractors are our employees;
- requirements of being a public company;
- changes to the Fair Labor Standards Act of 1938 and state minimum wage laws raising minimum wages or eliminating tip credit in calculating wages;
- risks related to the Bite Squad Merger; and
- the impact of the COVID-19 pandemic, including the potential recession or further financial market corrections resulting from the spread of COVID-19.

These risks and uncertainties may be outside of our control. Forward-looking statements should not be relied upon as representing our views as of any subsequent date. We do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Our actual results could differ materially from those discussed in these forward-looking statements.

Overview

Waitr operates an online food ordering and delivery platform, connecting local restaurants and diners in cities across the United States. Our strategy is to bring delivery and carryout infrastructure to underserved populations of restaurants and diners and establish market leadership positions in the markets in which we operate. On January 17, 2019, we completed the acquisition of Bite Squad, an online food ordering and delivery platform with operations similar to those of Waitr. Our business has been built with a restaurant-first philosophy by providing differentiated and brand additive services to the restaurants on the Platforms. Our Platforms allow consumers to browse local restaurants and menus, track order and delivery status, and securely store previous orders for ease of use and convenience. Restaurants benefit from the online Platforms through increased exposure to consumers for expanded business in the delivery market and carryout sales.

At June 30, 2020, we had approximately 18,000 restaurants, in over 700 cities, on the Platforms. Average Daily Orders for the three months ended June 30, 2020 and 2019 were approximately 44,241 and 55,728, respectively, and revenue was $60,506 and $51,342, respectively. For the six months ended June 30, 2020 and 2019, Average Daily Orders were 40,909 and 54,269, respectively, and revenue was $104,749 and $99,374, respectively.

During the second quarter of 2020, we continued implementing various initiatives, with a focus on improving revenue per order, costs per order, cash flow, profitability and liquidity. One of the major initiatives we successfully completed was switching to an independent contractor model for delivery drivers. Additionally, we continued to focus efforts on operational improvements through the streamlining of operations, support and sales and marketing functions and offered new and enhanced service offerings to our restaurant partners. The implementation of these initiatives resulted in revenue growth and profitable results for the three and six months ended June 30, 2020.

Sales of our common stock pursuant to at-the-market offerings launched in March and May 2020, along with the implementation of the initiatives discussed above, resulted in increases in our working capital and liquid assets as of June 30, 2020. At the completion of our at-the-market offering programs on July 10, 2020, we had sold a total of 23,698,720 shares of common stock for net proceeds of approximately $47,575. We continue to evaluate additional opportunities to further strengthen our liquidity position, fund growth initiatives and/or combine with other businesses to complement our operating cash flows as we pursue our long-term growth plans.

Management Appointments

On May 22, 2020, the board appointed Leonid (Leo) Bogdanov to the position of Chief Financial Officer. Mr. Bogdanov previously had been serving as Director of Financial Planning & Analysis of the Company. Additional management appointments made during the second quarter of 2020 through the filing of this Form 10-Q included the appointment on May 22, 2020 of Mark D'Ambrosio to the position of Chief Sales Officer and the appointments on July 1, 2020 of Thomas C. Pritchard to the position of General Counsel and David Cronin to the position of Chief Engagement Officer.

COVID-19 Update

In March 2020, as the COVID-19 pandemic became more widespread in the U.S., we launched several initiatives to help protect and support our restaurant partners, diners, drivers and employees during these unprecedented times, including offering no-contact delivery for all restaurant delivery orders; offering no-contact grocery delivery in select markets; working with restaurant partners to waive diner delivery fees; deploying free marketing programs for restaurants; and providing masks, gloves and hand sanitizer to drivers. Additionally, in early April 2020, we expanded our delivery areas to further support our restaurant partners and diners. We have experienced a significant increase in the number of new independent contractor driver applications, providing us the capacity to satisfy additional delivery and carryout demand from restaurant partners and diners.

We have thus far been able to operate effectively during the COVID-19 pandemic. In early March 2020, we initially experienced declines in order volumes over an approximate three-week period, as restaurant and diner routines were disrupted by state-mandated stay-at-home orders and business closures. In mid-to-late-March, however, we began to experience steady improvements in our order volumes. Average Daily Orders for the second quarter of 2020 exceeded first quarter 2020 volumes by approximately 18%.

The potential impacts and duration of the COVID-19 pandemic on the global economy and on the Company's business, in particular, are uncertain and may be difficult to assess or predict. The pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, which may reduce the Company's ability to access capital and continue to operate effectively. The COVID-19 pandemic could also reduce the demand for the Company's services. In addition, a recession or further financial market correction resulting from the spread of COVID-19 could adversely affect demand for the Company's services. To the extent that the COVID-19 pandemic adversely impacts the Company's business, results of operations, liquidity or financial condition, it may also have the effect of heightening many of the other risks described in the risk factors in the Company's 2019 Form 10-K. Management continues to monitor the impact of the COVID-19 outbreak closely.

Significant Accounting Policies and Critical Estimates

The preparation of financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period, along with related disclosures. We regularly assess these estimates and record changes to estimates in the period in which they become known. We base our estimates on historical experience and various other assumptions believed to be reasonable under the circumstances. Changes in the economic environment, financial markets, and any other parameters used in determining these estimates could cause actual results to differ from estimates. Significant estimates and judgements relied upon in preparing these condensed consolidated financial statements affect the following items:

- determination of the nature and timing of satisfaction of revenue-generating performance obligations and the standalone selling price of performance obligations;
- variable consideration;
- other obligations such as product returns and refunds;
- allowance for doubtful accounts and chargebacks;
- incurred loss estimates under our insurance policies with large deductibles or retention levels;
- income taxes;
- useful lives of tangible and intangible assets;
- depreciation and amortization;
- equity compensation;
- contingencies;
- goodwill and other intangible assets, including the recoverability of intangible assets with finite lives and other long-lived assets;
- impairments; and
- fair value of assets acquired and liabilities assumed as part of a business combination.

Other than the changes disclosed in Part I, Item 1, *Note 2 – Basis of Presentation and Summary of Significant Accounting Policies* to our unaudited condensed consolidated financial statements in this Form 10-Q, there have been no material changes to our significant accounting policies and estimates described in the 2019 Form 10-K.

New Accounting Pronouncements and Pending Accounting Standards

See Part I, Item 1, *Note 2 – Basis of Presentation and Summary of Significant Accounting Policies* for a description of accounting standards adopted during the six months ended June 30, 2020. Also described in Note 2 are pending standards and their estimated effect on our unaudited condensed consolidated financial statements.

We currently qualify as an “emerging growth company” pursuant to the provisions of the JOBS Act. For as long as we are an “emerging growth company,” we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies,” including not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, reduced disclosure obligations relating to the presentation of financial statements in *Management’s Discussion and Analysis of Financial Condition and Results of Operations*, exemptions from the requirements of holding advisory “say-on-pay” votes on executive compensation and stockholder advisory votes on golden parachute compensation. In addition, an emerging growth company can delay its adoption of certain accounting standards until those standards would otherwise apply to private companies. Although we have the ability to “opt out” of this extended transition period, we are choosing not to do so. Section 107 of the JOBS Act provides that a decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

Factors Affecting the Comparability of Our Results of Operations

Bite Squad Merger. The Bite Squad Merger was considered a business combination in accordance with ASC 805, and has been accounted for using the acquisition method. Under the acquisition method of accounting, total merger consideration, acquired assets and assumed liabilities are recorded based on their estimated fair values on the acquisition date. The excess of the fair value of merger consideration over the fair value of the assets less liabilities acquired has been recorded as goodwill. The results of operations of Bite Squad are included in our unaudited condensed consolidated financial statements beginning on the acquisition date, January 17, 2019.

In connection with the Bite Squad Merger, we incurred direct and incremental costs during the six months ended June 30, 2019 of approximately $6,956, consisting of legal and professional fees, which are included in general and administrative expenses in the unaudited condensed consolidated statement of operations in such period. During the six months ended June 30, 2020, we have eliminated certain duplicative costs and achieved synergies associated with the Bite Squad Merger, however, we may not continue to achieve this result at levels anticipated, resulting in higher general and administrative expenses in future periods.

Changes in Fee Structure. Since 2017, our fee structure evolved gradually from a per transaction fee plus a percentage of the food sale amount to one based exclusively on a percentage of the food sale amount. In early 2018, we also established a multi-tier fee structure, allowing restaurants to elect to pay a higher fee rate in lieu of paying a one-time set-up and integration fee. Additionally, we initiated modifications to our fee structure in July 2019 with a majority of restaurants on the Waitr Platform, which became effective in August 2019, and in January 2020, with the majority of our remaining restaurants, which became effective throughout February 2020. We continue to review and update our rate structure, as we look to offer new and enhanced value-adding services to our restaurant partners.

Seasonality and Holidays. Our business tends to follow restaurant closure and diner behavior patterns. In many of our markets, we generally experience a relative increase in order frequency from September to March and a relative decrease in diner activity from April to August primarily as a result of weather patterns, summer breaks and other vacation periods. In addition, restaurants tend to close on certain holidays, including Thanksgiving and Christmas Eve-Day, in our key markets. Further, diner activity may be impacted by unusually cold, rainy, or warm weather. Cold weather and rain typically drive increases in order volume, while unusually warm or sunny weather typically drives decreases in orders. Furthermore, snowstorms, hurricanes and tropical storms have adverse effects on order volume. Consequently, our results between quarters, or between periods may vary as a result of prolonged periods of unusually cold, warm, inclement, or otherwise unexpected weather and the timing of certain holidays.

Acquisition Pipeline. We actively maintain and evaluate a pipeline of potential acquisitions and may be acquisitive in the future. Potentially significant future business acquisitions may impact the comparability of our results in future periods with those for prior periods.

Key Factors Affecting Our Performance

Efficient Market Expansion and Penetration. Our continued revenue growth and path to improved cash flow and profitability is dependent on successful penetration of our markets and achieving our targeted scale in current and future markets. Delay or failure in achieving positive market-level operating margins (exclusive of indirect and corporate overhead costs) could adversely affect our working capital, which in turn, could slow our growth plans.

We typically target markets that we estimate could achieve sustainable, positive market-level operating margins that support market operating cash flows and profits, improve efficiency, and appropriately leverage the scale of our advertising, marketing, research and development, and other corporate resources. Our financial condition, cash flows, and results of operations depend, in significant part, on our ability to achieve and sustain our target profitability thresholds in our markets.

Waitr’s Restaurant and Diner Network. A significant part of our growth is our ability to successfully expand our network of restaurants and diners using the Platforms. If we fail to retain existing restaurants and diners using the Platforms, or to add new restaurants and diners to the Platforms, our revenue, financial results and business may be adversely affected.

Key Business Metrics

Defined below are the key business metrics that we use to analyze our business performance, determine financial forecasts, and help develop long-term strategic plans:

Active Diners. We count Active Diners as the number of diner accounts from which an order has been placed through the Platforms during the past twelve months (as of the end of the relevant period) and consider Active Diners an important metric because the number of diners using our Platforms is a key revenue driver and a valuable measure of the size of our engaged diner base.

Average Daily Orders. We calculate Average Daily Orders as the number of orders during the period divided by the number of days in that period. Average Daily Orders is an important metric for us because the number of orders processed on our Platforms is a key revenue driver and, in conjunction with the number of Active Diners, a valuable measure of diner activity on our Platforms for a given period.

Gross Food Sales. We calculate Gross Food Sales as the total food and beverage sales, sales taxes, prepaid gratuities, and diner fees processed through the Platforms during a given period. Gross Food Sales are different than the order value upon which we charge our fee to restaurants, which excludes gratuities and diner fees. Prepaid gratuities, which are not included in our revenue, are determined by diners and may differ from order to order. Gratuities other than prepaid gratuities, such as cash tips, are not included in Gross Food Sales. Gross Food Sales is an important metric for us because the total volume of food sales transacted through our Platforms is a key revenue driver.

Average Order Size. We calculate Average Order Size as Gross Food Sales for a given period divided by the number of orders during the same period. Average Order Size is an important metric for us because the average value of food sales on our Platforms is a key revenue driver.

	Three Months Ended June 30,		Six Months Ended June 30,	
Key Business Metrics (1)	**2020**	**2019**	**2020**	**2019**
Active Diners (as of period end)	2,109,353	2,362,290	2,109,353	2,362,290
Average Daily Orders	44,241	55,728	40,909	54,269
Gross Food Sales (dollars in thousands)	$ 175,044	$ 183,042	$ 308,557	$ 353,445
Average Order Size (in dollars)	$ 43.48	$ 36.09	$ 41.44	$ 35.98

(1) The key business metrics include the operations of Bite Squad beginning on the acquisition date, January 17, 2019.

Basis of Presentation

Revenue

We generate revenue primarily when diners place an order on one of the Platforms. We recognize revenue from diner orders when orders are delivered. Our revenue consists primarily of transaction fees, comprised of fees received from restaurants (determined as a percentage of the total food sales, net of any diner promotions or refunds to diners) and diner fees. During a portion of the periods presented in this Form 10-Q, we also generated revenue from setup and integration fees collected from certain restaurants to onboard them onto the Platforms (these are recognized on a straight-line basis over the anticipated period of benefit) and subscription fees from restaurants that opt to pay a monthly fee in lieu of a lump sum setup and integration fee. Additionally, we sell gift cards and recognize revenue upon gift card redemption. Revenue also includes fees for restaurant marketing and data services.

Cost and Expenses:

Operations and Support. Operations and support expense consists primarily of salaries, benefits, stock-based compensation, and bonuses for employees and contractors engaged in operations and customer service, including drivers, as well as city/market managers, restaurant onboarding, photography, and driver logistics personnel, and payment processing costs for customer orders.

Sales and Marketing. Sales and marketing expense consists primarily of salaries, commissions, benefits, stock-based compensation and bonuses for sales and sales support personnel, including restaurant business development managers, marketing employees and contractors, and third-party marketing expenses such as social media and search engine marketing, online display, team sponsorships (the costs of which are recognized on a straight line basis over the useful period of the contract) and print marketing.

Research and Development. Research and development expense consists primarily of salaries, benefits, stock-based compensation and bonuses for employees and contractors engaged in the design, development, maintenance and testing of the Platforms.

General and Administrative. General and administrative expense consists primarily of salaries, benefits, stock-based compensation and bonuses for executive, finance and accounting, human resources and administrative employees, third-party legal, accounting, and other professional services, insurance (including workers' compensation, auto liability and general liability), travel, facilities rent, and other corporate overhead costs.

Depreciation and Amortization. Depreciation and amortization expense consists primarily of amortization of capitalized costs for software development, trademarks and customer relationships and depreciation of leasehold improvements, furniture, and equipment, primarily tablets deployed in restaurants. We do not allocate depreciation and amortization expense to other line items.

Intangible and Other Asset Impairments. Intangible and other asset impairments include write-downs of intangible assets and minor impairments related to the replacement of internally developed software code.

Other Expenses (Income) and Losses (Gains), Net. Other expenses (income) and losses (gains), net, primarily includes interest expense on outstanding debt and interest income on cash and money market deposits.

Results of Operations

The following table sets forth our results of operations for the periods indicated, with line items presented in thousands of dollars and as a percentage of our revenue:

	Three Months Ended June 30,				Six Months Ended June 30,			
(in thousands, except percentages (1))	2020	% of Revenue	2019	% of Revenue	2020	% of Revenue	2019	% of Revenue
Revenue	**$ 60,506**	**100%**	**$ 51,342**	**100%**	**$ 104,749**	**100%**	**$ 99,374**	**100%**
Costs and expenses:								
Operations and support	30,547	50%	39,698	77%	56,912	54%	75,881	76%
Sales and marketing	2,740	5%	15,339	30%	5,566	5%	25,662	26%
Research and development	1,167	2%	2,149	4%	2,637	3%	4,089	4%
General and administrative	10,094	17%	12,380	24%	20,872	20%	31,298	31%
Depreciation and amortization	2,075	3%	4,824	9%	4,139	4%	8,940	9%
Intangible and other asset impairments	29	0%	—	0%	29	0%	18	0%
Loss on disposal of assets	3	0%	10	0%	11	0%	15	0%
Total costs and expenses	**46,655**	77%	**74,400**	145%	**90,166**	86%	**145,903**	147%
Income (loss) from operations	**13,851**	23%	**(23,058)**	(45%)	**14,583**	14%	**(46,529)**	(47%)
Other expenses (income) and losses (gains), net:								
Interest expense	2,490	4%	2,190	4%	5,404	5%	3,795	4%
Interest income	(21)	0%	(241)	0%	(81)	0%	(580)	(1%)
Other expense (income)	712	1%	(123)	0%	675	1%	(173)	0%
Net income (loss) before income taxes	**10,670**	18%	**(24,884)**	(48%)	**8,585**	8%	**(49,571)**	(50%)
Income tax expense (benefit)	17	0%	(32)	0%	34	0%	30	0%
Net income (loss)	**$ 10,653**	18%	**$ (24,852)**	(48%)	**$ 8,551**	8%	**$ (49,601)**	(50%)

(1) Percentages may not foot due to rounding

Three Months Ended June 30, 2020 Compared to Three Months Ended June 30, 2019

Revenue

Revenue increased by $9,164, or 18%, to $60,506 in the three months ended June 30, 2020 from $51,342 in the three months ended June 30, 2019, primarily as a result of improved revenue per order.

Average Daily Orders and Gross Food Sales decreased in the three months ended June 30, 2020 to 44,241 and $175,044, respectively, from 55,728 and $183,042, respectively, in the three months ended June 30, 2019. Average Order Size increased in the three months ended June 30, 2020 to $43.48 from $36.09 in the three months ended June 30, 2019, an uplift of 20%.

Operations and Support

Operations and support expense decreased by $9,151, or 23%, to $30,547 in the three months ended June 30, 2020 from $39,698 in the three months ended June 30, 2019. As a percentage of revenue, operations and support expense decreased to 50% in the three months ended June 30, 2020 from 77% in the same period in 2019. The decreases are primarily the result of the implementation of initiatives to realize synergies from the Bite Squad Merger, including staff reductions and the consolidation of operations and support functions.

Sales and Marketing

Sales and marketing expense decreased by $12,599, or 82%, to $2,740 in the three months ended June 30, 2020 from $15,339 in the three months ended June 30, 2019, primarily as a result of decreased advertising spend of approximately $8,699. As a percentage of revenue, sales and marketing expense decreased to 5% in the three months ended June 30, 2020 from 30% in the three months ended June 30, 2019, reflecting the lower advertising spend in the second quarter of 2020.

Research and Development

Research and development expense decreased by $982, or 46%, to $1,167 in the three months ended June 30, 2020 from $2,149 in the three months ended June 30, 2019, primarily due to increased software development activities during the second quarter of 2020, the costs for which were capitalized. As a percentage of revenue, research and development expense was 2% and 4%, respectively, in the three months ended June 30, 2020 and 2019.

General and Administrative

General and administrative expense decreased by $2,286, or 18%, to $10,094 in the three months ended June 30, 2020 from $12,380 in the three months ended June 30, 2019, primarily due to decreased stock-based compensation expenses. As a percentage of revenue, general and administrative expense decreased to 17% in the three months ended June 30, 2020 compared to 24% in the three months ended June 30, 2019, primarily due to decreased stock-based compensation expenses as well as corporate synergies associated with the Bite Squad Merger.

Depreciation and Amortization

Depreciation and amortization expense decreased by $2,749, or 57%, to $2,075 in the three months ended June 30, 2020 compared to $4,824 in the three months ended June 30, 2019, primarily as a result of the write-down of the carrying value of intangible assets to their implied fair values in September 2019 in connection with the Company’s goodwill impairment analysis. As a percentage of revenue, depreciation and amortization expense decreased to 3% in the three months ended June 30, 2020 from 9% in the three months ended June 30, 2019.

Other Expenses (Income) and Losses (Gains), Net

Other expenses (income) and losses (gains), net totaled $3,181 in the three months ended June 30, 2020, primarily reflecting $2,465 of interest expense associated with the Term Loans and Notes, $712 of other expense and $21 of interest income. Other expenses (income) and losses (gains), net, totaled $1,826 in the three months ended June 30, 2019, primarily reflecting $2,188 of interest expense associated with the Term Loans and Notes and $241 of interest income.

Income Tax Expense

Income tax expense (benefit) was $17 and $(32) in the three months ended June 30, 2020 and 2019, respectively, entirely related to taxes required on gross margins in Texas. We have historically generated net operating losses; therefore, a valuation allowance has been recorded on our net deferred tax assets.

Net Income (Loss)

Net income for the three months ended June 30, 2020 was $10,653 compared to a net loss for the three months ended June 30, 2019 of $24,852. See the revenue and expense variance analyses above for the components of net income and net loss for the respective periods.

Six Months Ended June 30, 2020 Compared to Six Months Ended June 30, 2019

Revenue

Revenue increased by $5,375, or 5%, to $104,749 in the six months ended June 30, 2020 from $99,374 in the six months ended June 30, 2019, as a result of improved revenue per order. The results of operations of Bite Squad are included in our unaudited condensed consolidated financial statements beginning on the acquisition date, January 17, 2019 (see Part I, Item 1, *Note 3 – Business Combinations*).

Average Daily Orders and Gross Food Sales decreased in the six months ended June 30, 2020 to 40,909 and $308,557, respectively, from 54,269 and $353,445, respectively, in the six months ended June 30, 2019. Average Order Size increased in the six months ended June 30, 2020 to $41.44 from $35.98 in the six months ended June 30, 2019, an uplift of 15%.

Operations and Support

Operations and support expense decreased by $18,969, or 25%, to $56,912 in the six months ended June 30, 2020 from $75,881 in the six months ended June 30, 2019. As a percentage of revenue, operations and support expense decreased to 54% in the six months ended June 30, 2020 from 76% in the same period of 2019. The decreases are primarily the result of the implementation of initiatives to realize synergies from the Bite Squad Merger, including staff reductions and the consolidation of operations and support functions, as well as the closures of approximately 60 unprofitable, non-core markets in December 2019 and January 2020.

Sales and Marketing

Sales and marketing expense decreased by $20,096, or 78%, to $5,566 in the six months ended June 30, 2020 from $25,662 in the six months ended June 30, 2019, primarily as a result of decreased advertising spend of approximately $13,458 as well as staff reductions and the consolidation of sales and marketing functions in the second half of 2019 and early 2020. As a percentage of revenue, sales and marketing expense decreased to 5% in the six months ended June 30, 2020 from 26% in the six months ended June 30, 2019, reflecting the lower advertising spend in the first half of 2020.

Research and Development

Research and development expense decreased by $1,452, or 36%, to $2,637 in the six months ended June 30, 2020 from $4,089 in the six months ended June 30, 2019, primarily due to increased software development activities during the first half of 2020, the costs for which were capitalized. As a percentage of revenue, research and development expense was 3% for the six months ended June 30, 2020 and 4% for the six months ended June 30, 2019.

General and Administrative

General and administrative expense decreased by $10,426, or 33%, to $20,872 in the six months ended June 30, 2020 from $31,298 in the six months ended June 30, 2019. General and administrative expense in the six months ended June 30, 2019 included $6,956 of business combination-related professional and other costs associated with the Bite Squad Merger. The decrease in general and administrative expenses during the six months ended June 30, 2020 was also due to decreased stock-based compensation expenses. As a percentage of revenue, general and administrative expense decreased to 20% in the six months ended June 30, 2020 compared to 31% in the six months ended June 30, 2019, primarily due to the above mentioned business combination expenses in the first half of 2019 as well as corporate synergies associated with the Bite Squad Merger.

Depreciation and Amortization

Depreciation and amortization expense decreased by $4,801, or 54%, to $4,139 in the six months ended June 30, 2020 compared to $8,940 in the six months ended June 30, 2019, primarily as a result of the write-down of the carrying value of intangible assets to their implied fair values in September 2019 in connection with the Company's goodwill impairment analysis. As a percentage of revenue, depreciation and amortization expense decreased to 4% in the six months ended June 30, 2020 from 9% in the six months ended June 30, 2019.

Other Expenses (Income) and Losses (Gains), Net

Other expenses (income) and losses (gains), net totaled $5,998 in the six months ended June 30, 2020, primarily reflecting $5,325 of interest expense associated with the Term Loans and Notes and $81 of interest income. Other expenses (income) and losses (gains), net, totaled $3,042 in the six months ended June 30, 2019, reflecting $3,782 of interest expense associated with the Term Loans and Notes and $580 of interest income.

Income Tax Expense

Income tax expense was $34 and $30 in the six months ended June 30, 2020 and 2019, respectively, entirely related to taxes required on gross margins in Texas. We have historically generated net operating losses; therefore, a valuation allowance has been recorded on our net deferred tax assets.

Net Income (Loss)

Net income for the six months ended June 30, 2020 was $8,551 compared to a net loss of $49,601 in the six months ended June 30, 2019. See the revenue and expense variance analyses above for the components of net income and net loss for the respective periods.

Liquidity and Capital Resources

Overview

As of June 30, 2020, we had cash on hand of approximately $66,702, consisting primarily of cash and money market deposits, and approximately $3,191 of our cash balance was reserved under a compensating balance arrangement with our bank, pertaining to an outstanding letter of credit. Our primary sources of liquidity to date have been proceeds from the issuance of stock, long-term convertible debt, term loans and the cash assumed in connection with the business combination with Landcadia Holdings, Inc. in November 2018. We had total outstanding long-term debt of $109,506 as of June 30, 2020, consisting of $59,573 of Term Loans, $49,645 of Notes and $288 of promissory notes. Short-term debt as of June 30, 2020 included the current portion of the Term Loans of $12,500 and $2,094 of short-term loans for insurance financing.

During the second quarter of 2020, we continued implementing various initiatives, with a focus on improving revenue per order, costs per order, cash flow, profitability and liquidity. Additionally, on May 1, 2020, we entered into an amendment and restatement of the open market sale agreement associated with our original ATM Program, pursuant to which the Company could offer and sell shares of our common stock having an aggregate offering price of $30,000 (see Part I, Item 1, *Note 12 – Stockholders' Equity*). Upon entering into the May 2020 ATM Program, we terminated the prior ATM Program.

We sold a total of 11,918,322 shares of our common stock pursuant to the original ATM Program and May 2020 ATM Program during the second quarter of 2020 for net proceeds of approximately $16,114. In July 2020, we sold an additional 7,587,655 shares of common stock pursuant to the May 2020 ATM Program for net proceeds of approximately $24,990, resulting in the completion of the May 2020 ATM Program. As discussed below, we used a portion of the proceeds from the at-the-market offering programs to repay debt and intend to use the remaining proceeds for working capital and general corporate purposes, and to further enhance our ability to resume execution of our operational and growth initiatives.

We made payments on the Term Loans of $12,500 on July 2, 2020 pursuant to the Waiver and Conversion Agreement and $10,500 on August 3, 2020 pursuant to an amendment to the Credit Agreement. At the time of the payment in connection with the amendment to the Credit Agreement, the interest rates under the Term Loans and Notes were reduced by 200 basis points for a one-year period, and the maturity dates of the Term Loans and Notes were extended by one year. See "*Indebtedness*" below for additional details of the Waiver and Conversion Agreement, Term Loans, Notes and promissory notes.

We currently expect that our cash on hand and estimated cash flow from operations will be sufficient to meet our working capital needs beyond twelve months, however, there can be no assurance that we will generate cash flow at the levels we anticipate. We expect to continue to utilize proceeds from our at-the-market offering programs to support our ongoing working capital requirements. We may also use a portion of the net proceeds to repay additional debt or to acquire or invest in businesses, products and technologies that are complementary to our own, although we have no current commitments or agreements with respect to any acquisitions as of the date of this filing. We continually evaluate additional opportunities to strengthen our liquidity position, fund growth initiatives and/or combine with other businesses by issuing equity or equity-linked securities (in public or private offerings) and/or incurring additional debt. However, market conditions, our future financial performance or other factors may make it difficult or impossible for us to access sources of capital, on favorable terms or at all, should we determine in the future to raise additional funds.

We are continuously reviewing our liquidity and anticipated working capital needs, particularly in light of the uncertainty created by the COVID-19 pandemic. Thus far, Waitr has been able to operate effectively during the pandemic, however, the potential impacts and duration of the COVID-19 pandemic on the economy and on Waitr's business, in particular, may be difficult to assess or predict.

Indebtedness

Limited Waiver and Conversion Agreement

On May 1, 2020, we, Waitr Inc., Intermediate Holdings, the lenders party thereto and Luxor Capital entered into the Waiver and Conversion Agreement, pursuant to which the lenders under the Credit Agreement agreed to waive the requirement to prepay the Term Loans arising as a result of the May 2020 ATM Offering. In consideration of the prepayment waiver, we agreed that, regardless of whether any shares of our common stock were actually sold in the May 2020 ATM Offering, (i) we would prepay a portion of the Term Loans in the amount of $12,500 on the date that is 60 days after the Effective Date (as defined in the Waiver and Conversion Agreement) and (ii) the lenders under the Notes would be permitted to convert a portion of the outstanding principal amount of the Notes in the amount of $12,500 into shares of our common stock at a conversion rate of 746.269 shares of common stock per one thousand principal amount of the Notes (calculated based on the closing price of $1.34 per share of the Company's common stock on Nasdaq on April 30, 2020, the date immediately preceding the date of the Waiver and Conversion Agreement), notwithstanding the conversion rate then in effect pursuant to the terms of the Notes. The converted shares will be subject to a customary lock-up for a period of 45 days.

The Company evaluated the amendments in the Waiver and Conversion Agreement and concluded that the amendments did not meet the characteristics of debt extinguishments under ASC 470-50. Accordingly, the amendments were treated as a debt modification, and thus, no gain or loss was recorded. See *Term Loans under the Debt Facility* and *Notes* below for a discussion of the prepayment made on the Term Loans and the conversion of Notes.

Term Loans under the Debt Facility

On November 15, 2018, Waitr Inc. entered into the Credit Agreement, which provides for a senior secured first priority term loan in the aggregate principal amount of $67,080. The quarterly interest payments due since September 30, 2019 have been paid-in-kind, resulting in an aggregate principal amount of outstanding Term Loans at June 30, 2020 of $72,073. On July 2, 2020, the Company repaid $12,500 of the Term Loans pursuant to the Waiver and Conversion Agreement. Pursuant to the amendment of the Credit Agreement on July 15, 2020, the Company repaid $10,500 of the Term Loans on August 3, 2020. On such date, the interest rate under the Credit Agreement was reduced by 200 basis points to 5.125% for a one-year period and the maturity date was extended by one year to November 15, 2023. The aggregate principal amount of outstanding Term Loans totaled $49,073 at August 6, 2020. For additional details, see Part I, Item 1, *Note 7 – Debt* and *Note 15 – Subsequent Events*, to our unaudited condensed consolidated financial statements in this Form 10-Q. We believe that we were in compliance with all covenants under the Credit Agreement as of June 30, 2020.

Notes

On November 15, 2018, the Company entered into the Convertible Notes Agreement, pursuant to which the Company issued unsecured convertible promissory notes in the aggregate principal amount of $60,000. A portion of the quarterly interest payments due since June 30, 2019 have been paid in-kind and added to the aggregate principal amount of the Notes. During the second quarter of 2020, $12,359 of the Notes were converted into 9,222,978 shares of the Company's common stock pursuant to the Waiver and Conversion Agreement. The outstanding aggregate principal amount of the Notes at June 30, 2020 totaled $49,645.

On July 16, 2020, $141 of the Notes were converted into 105,384 shares of the Company's common stock. Additionally, on August 3, 2020, in connection with the $10,500 Term Loan payment discussed above, the interest rate under the Convertible Notes Agreement was reduced by 200 basis points to 4.0% for a one-year period and the maturity date was extended by one year to November 15, 2023. The outstanding aggregate principal amount of the Notes totaled $49,504 at August 6, 2020. For additional details on the Notes, see Part I, Item 1, *Note 7 – Debt* and *Note 15 – Subsequent Event*s, to our unaudited condensed consolidated financial statements in this Form 10-Q. We believe that we were in compliance with all covenants under the Convertible Notes Agreement as of June 30, 2020.

Promissory Notes

On September 27, 2019, the Company entered into an interest-free promissory note to fund a portion of an acquisition. The principal amount of the promissory note was initially $500, payable in 24 monthly installments, with payments expected to begin shortly after integration of the acquired assets onto the Company's platform. The Company recorded the promissory note at its fair value of $452 and will impute interest over the life of the note using an interest rate of 10%, representing the estimated effective interest rate at which the Company could obtain financing. On February 13, 2020, the Company entered into an amendment to the asset purchase agreement, whereby the promissory note was amended to $600, payable in 30 monthly installments, commencing on March 1, 2020. The current portion of the promissory note of $186 is included in other current liabilities in the unaudited condensed consolidated balance sheet at June 30, 2020.

On October 1, 2019, the Company entered into an interest-free promissory note to fund a portion of an additional acquisition. The principal amount of the promissory note is $100, payable in 24 monthly installments. Payments commenced on January 15, 2020. The

Company recorded the promissory note at its fair value of $90 and will impute interest over the life of the note using an interest rate of 10%, representing the estimated effective interest rate at which the Company could obtain financing. The current portion of the promissory note of $45 is included in other current liabilities in the unaudited condensed consolidated balance sheet at June 30, 2020.

Short-Term Loans

On May 16, 2020, the Company entered into a loan agreement with First Insurance Funding to finance a portion of its annual insurance premium obligation. The principal amount of the loan is $362, payable in ten monthly installments until maturity on February 28, 2021. The loan carries an annual interest rate of 3.49% and had an outstanding principal balance at June 30, 2020 of $291.

On November 15, 2019, the Company entered into a loan agreement with BankDirect Capital Finance to finance a portion of its annual directors and officers insurance premium obligation. The principal amount of the loan is $1,993, payable in monthly installments, until maturity. The loan matures on August 15, 2020 and carries an annual interest rate of 4.15%. As of June 30, 2020, $449 was outstanding under such loan.

On June 1, 2020, the Company entered into a loan agreement with IPFS Corporation to finance a portion of its annual general liability insurance premium obligation. The principal amount of the loan is $1,354, payable in monthly installments beginning July 1, 2020, until maturity. The loan matures on May 31, 2021 and carries an annual interest rate of 3.99%.

Capital Expenditures

Our main capital expenditures relate to the purchase of tablets for restaurants on the Platforms and investments in the development of the Platforms, which are expected to increase as we continue to grow our business. Our future capital requirements and the adequacy of available funds will depend on many factors, including those set forth under “Risk Factors” in our 2019 Form 10-K, as such factors may be updated in our quarterly reports on Form 10-Q. If we are unable to obtain needed additional funds, we will have to reduce our operating costs, which would impair our growth prospects and could otherwise negatively impact our business.

Cash Flow

The following table sets forth our summary cash flow information for the periods indicated:

	Six Months Ended June 30,	
(in thousands)	**2020**	**2019**
Net cash provided by (used in) operating activities	$ 18,961	$ (34,351)
Net cash used in investing activities	(1,963)	(193,637)
Net cash provided by financing activities	20,387	91,475

Cash Flows Provided By (Used In) Operating Activities

For the six months ended June 30, 2020, net cash provided by operating activities was $18,961, compared to net cash used in operating activities of $34,351 for the six months ended June 30, 2019, primarily reflecting the effects of the implementation of various initiatives aimed at improving costs and profitability. Additionally, operating activities during the six months ended June 30, 2019 included the payment of business combination-related expenses of $6,956.

Cash Flows Used In Investing Activities

For the six months ended June 30, 2020 and 2019, net cash used in investing activities was $1,963 and $193,637, respectively. Investing activities included the purchase of property and equipment of $381 and $990 for the six months ended June 30, 2020 and 2019, respectively, and costs associated with internally developed software of $1,335 and $155 for the six months ended June 30, 2020 and 2019, respectively. During the six months ended June 30, 2019, investing activities also included of $192,568 for the acquisition of Bite Squad.

Property and equipment is comprised primarily of computer tablets for restaurants on the Platforms. The tablets remain our property. We control software applications and updates on the tablets, and the tablets are devoted exclusively to the Platforms. We also periodically purchase office furniture, equipment, computers and software and leasehold improvements.

Cash Flows Provided by Financing Activities

For the six months ended June 30, 2020, net cash provided by financing activities was $20,387, primarily reflecting $22,944 of proceeds from the sales of common stock under the company’s at-the-market offering programs, $1,906 of proceeds from short-term loans and $3,415 of payments on short-term loans. For the six months ended June 30, 2019, net cash provided by financing activities was $91,475, primarily reflecting gross proceeds from the issuance of common stock of $50,002, proceeds from the issuance of the Additional Term Loans of $42,080 and $5,032 of proceeds from a short-term loan for the Company's annual insurance premium financing, less $4,175 of equity issuance costs and $658 of payments on short-term loans.

Contractual Obligations and Other Commitments

During the six months ended June 30, 2020, the Company's outstanding debt obligations were reduced by approximately $12,359 in connection with the conversion of Notes pursuant to the Waiver and Conversion Agreement. Additionally, in July 2020, the Company paid $12,500 of the Term Loans and converted $141 of the Notes in connection with the Waiver and Conversion Agreement. On August 3, 2020, the Company paid $10,500 of the Term Loans pursuant to the Amended Loan Agreements, resulting in a reduction of the interest rates under the Term Loans and Notes by 200 basis points for a one-year period, to 5.125% and 4.0%, respectively, and the extension of the maturity dates under such Loan Agreements by one year to November 15, 2023.

As of the date of the filing of this Form 10-Q, other than the aforementioned Term Loan payments, Notes conversions and interest rate and maturity date revisions, there have been no significant changes to the Company's total contractual obligations disclosed in the 2019 Form 10-K.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of June 30, 2020.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to interest rate risk and certain other market risks in the ordinary course of our business.

Interest Rate Risk

As of August 6, 2020, we had outstanding interest-bearing long-term debt totaling $98,577, consisting of $49,073 of Term Loans and $49,504 of Notes. The interest rates under the Term Loans and Notes were reduced by 200 basis points for a one-year period, effective August 3, 2020, in connection with the amendments discussed under "Liquidity and Capital Resources". Although the interest rates decreased on August 3, 2020, we are not currently exposed to interest rate risk on our outstanding debt, as the new rates are set to revert back to the rates in effect prior to the amendments. If we enter into variable-rate debt in the future, we may be subject to increased sensitivity to interest rate movements.

We invest excess cash primarily in bank accounts and money market accounts, on which we earn interest. Our current investment strategy is to preserve principal and provide liquidity for our operating and market expansion needs. Since our investments have been and are expected to remain mainly short-term in nature, we do not believe that changes in interest rates would have a material effect on the fair market value of our investments or our operating results.

Inflation Risk

We do not believe that inflation has had a material effect on our business, results of operations or financial condition.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of the end of the period covered by this Form 10-Q. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon the evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective as of June 30, 2020.

Changes in Internal Controls Over Financial Reporting

There has not been any change in our internal control over financial reporting that occurred during the quarter ended June 30, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

On July 14, 2016, Waiter.com, Inc. filed a lawsuit against Waitr Incorporated, the Company's wholly-owned subsidiary, in the United States District Court for the Western District of Louisiana, alleging trademark infringement based on Waitr's use of the "Waitr" trademark and logo, Civil Action No.: 2:16-CV-01041. Plaintiff seeks injunctive relief and damages relating to Waitr's use of the "Waitr" name and logo. The trial date has been postponed indefinitely due to the COVID-19 pandemic. Waitr believes that this case lacks merit and that it has strong defenses to all of the infringement claims alleged. Waitr intends to vigorously defend the suit.

In February 2019, the Company was named a defendant in a lawsuit titled *Halley, et al vs. Waitr Holdings Inc*. filed in the United States District Court for the Eastern District of Louisiana on behalf of plaintiff and similarly situated drivers alleging violations of the Fair Labor Standards Act ("FLSA"), and in March 2019, the Company was named a defendant in a lawsuit titled *Montgomery v. Waitr Holdings Inc.* filed in the United States District Court for the Eastern District of Louisiana on behalf of plaintiff and similarly situated drivers, alleging violations of FLSA and Louisiana Wage Payment Act. The parties to the *Halley* and *Montgomery* matters jointly filed with the court a motion for preliminary approval of a settlement agreement (the "Motion") whereby the Halley and Montgomery plaintiffs, on behalf of themselves and similarly situated drivers, will dismiss the lawsuits against the Company in consideration for the Company issuing up to 1,556,420 shares of Waitr common stock to be allocated to participating class members pursuant to a formula set forth in the settlement agreement. On April 28, 2020, the court granted the Motion and scheduled a fairness hearing for August 19, 2020.

On September 26, 2019, Christopher Meaux, David Pringle, Jeff Yurecko, Tilman J. Fertitta, Richard Handler, Waitr Holdings Inc. f/k/a Landcadia Holdings Inc., Jefferies Financial Group, Inc. and Jefferies, LLC were named as defendants in a putative class action lawsuit entitled *Walter Welch, Individually and on Behalf of all Others Similarly Situated vs. Christopher Meaux, David Pringle, Jeff Yurecko, Tilman J. Fertitta, Richard Handler, Waitr Holdings Inc. f/k/a Landcadia Holdings Inc., Jefferies Financial Group, Inc. and Jefferies, LLC*. The case was filed in the Western District of Louisiana, Lake Charles Division. In the lawsuit, the plaintiff asserts putative class action claims alleging, inter alia, that various defendants made false and misleading statements in securities filings, engaged in fraud, and violated accounting and securities rules. A similar putative class action lawsuit, entitled *Kelly Bates, Individually and on Behalf of all Others Similarly Situated vs. Christopher Meaux, David Pringle, Jeff Yurecko, Tilman J. Fertitta, Richard Handler, Waitr Holdings Inc. f/k/a Landcadia Holdings Inc., Jefferies Financial Group, Inc. and Jefferies, LLC*, was filed in that same court on November 4, 2019. Waitr expects the court will determine a lead plaintiff and the two cases will be consolidated. Waitr believes that these cases lack merit and that it has strong defenses to all of the claims alleged. Waitr intends to vigorously defend both lawsuits.

In addition to the lawsuits described above, Waitr is involved in other litigation arising from the normal course of business activities, including, without limitation, lawsuits involving claims for personal injuries, physical damage and workers' compensation benefits suffered as a result of alleged Waitr drivers, independent contractors, and third-party negligence. Although Waitr believes that it maintains insurance that generally covers its liability for damages, if any, insurance coverage is not guaranteed, and Waitr could suffer material losses as a result of these claims or the denial of coverage for such claims.

Item 1A. Risk Factors

The following updates the Risk Factors included in the 2019 Form 10-K. Except as set forth below, there have been no material changes with respect to Waitr's risk factors previously reported in Part I, Item 1A, of the 2019 Form 10-K.

We face risks related to health epidemics and other outbreaks, which could significantly disrupt our operations.

In December 2019, an outbreak of a new strain of coronavirus, COVID-19, began in Wuhan, Hubei Province, China. In March 2020, the World Health Organization declared COVID-19 a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. Waitr has thus far been able to operate effectively during the COVID-19 pandemic. However, the potential impacts and duration of the COVID-19 pandemic on the global economy and on the Company's business, in particular, are uncertain and may be difficult to assess or predict. The pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, which may reduce the Company's ability to access capital and continue to operate effectively. The COVID-19 pandemic could also reduce the demand for the Company's services. In addition, a recession or further financial market correction resulting from the spread of COVID-19 could adversely affect demand for the Company's services. To the extent that the COVID-19 pandemic adversely impacts the Company's business, results of operations, liquidity or financial condition, it may also have the effect of heightening many of the other risks described in the risk factors in the Company's 2019 Form 10-K.

We have taken several steps to help protect and support our restaurant partners, diners, drivers and employees during the COVID-19 outbreak, including offering no-contact delivery for all restaurant delivery orders; offering no-contact grocery delivery in select markets; working with restaurant partners to waive diner delivery fees; deploying free marketing programs for restaurants; and providing masks, gloves and hand sanitizer to drivers. We are closely monitoring the impact of the COVID-19 global outbreak and lifting of any restrictions, although there remains significant uncertainty related to the public health situation globally.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable

Item 3. Defaults Upon Senior Securities

Not applicable

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
10.1	Amended and Restated Open Market Sale Agreement, dated May 1, 2020, by and between Waitr Holdings Inc. and Jefferies LLC (incorporated by reference to Exhibit 1.1 of the Current Report on Form 8-K (File No. 001-37788) filed by the Company on May 1, 2020).
10.2	Limited Waiver and Conversion Agreement, dated as of May 1, 2020, by and among Waitr Holdings Inc., Waitr Inc., Waitr Intermediate Holdings, LLC, the Lenders party thereto and Luxor Capital Group, LP (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K (File No. 001-37788) filed by the Company on May 7, 2020).
10.3	Waitr Holdings Inc. Amended and Restated 2018 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K (File No. 001-37788) filed by the Company on June 17, 2020).
10.4	Performance Bonus Agreement, dated April 23, 2020, by and between Waitr Holdings Inc. and Carl A. Grimstad (incorporated by referenced to Exhibit 10.1 of the Current Report on Form 8-K (File No. 001-37788) filed by the Company on April 28, 2020.
10.5	Restricted Stock Unit Award Agreement, dated April 23, 2020, by and between Waitr Holdings Inc. and Carl A. Grimstad (incorporated by referenced to Exhibit 10.2 of the Current Report on Form 8-K (File No. 001-37788) filed by the Company on April 28, 2020.
10.6	Amendment No. 3 to Credit Agreement, dated as of July 15, 2020, by and among Waitr Holdings Inc., Waitr Intermediate Holdings, LLC, Luxor Capital, LLC, Luxor Capital Group, LP, and the lenders party thereto.
10.7	Amendment No. 3 to Credit and Guaranty Agreement, dated as of July 15, 2020, by and among Waitr Holdings Inc., Waitr Intermediate Holdings, LLC, Luxor Capital, LLC, Luxor Capital Group, LP, and the lenders party thereto.
31.1	Certification of the Principal Executive Officer required by Rule 13a-14(b) or Rule15d-14(a).
31.2	Certification of the Principal Financial Officer required by Rule 13a-14(b) or Rule15d-14(a).
32.1	Certification of the Principal Executive Officer required by Rule 13a-14(b) or Rule15d-14(b) and 18 U.S.C. Section 1350.
32.2	Certification of the Principal Financial Officer required by Rule 13a-14(b) or Rule15d-14(b) and 18 U.S.C. Section 1350.
101.INS	Inline XBRL 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 Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

Dated: August 6, 2020	By:	/s/ Leo Bogdanov
		Leo Bogdanov
		Chief Financial Officer
		(Principal Financial Officer and Duly Authorized Officer)

AMENDMENT NO. 3
to
CREDIT AGREEMENT

This AMENDMENT NO. 3 TO CREDIT AGREEMENT (this "Amendment") is made as of July 15, 2020, by and among WAITR HOLDINGS INC., a Delaware corporation ("Borrower"), LUXOR CAPITAL, LLC, as a Lender (as hereinafter defined) and LUXOR CAPITAL GROUP, LP, as administrative agent for Lenders (in such capacity, the "Administrative Agent").

WHEREAS, Borrower, Administrative Agent, and the lenders from time to time party thereto (the "Lenders") are parties to that certain Credit Agreement dated as of November 15, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof (including as amended pursuant to (i) that certain Amendment No. 1 to Credit Agreement dated as of January 17, 2019 and (ii) that certain Amendment No. 2 to Credit Agreement dated as of May 21, 2019), the "Existing Credit Agreement"; and the Existing Credit Agreement, as amended by this Amendment being referred to herein as the "Amended Credit Agreement").

WHEREAS, Borrower has requested that Lenders amend the Existing Credit Agreement so as to effectuate the amendments contemplated by Section 2 hereof.

WHEREAS, Borrower, Administrative Agent, and Lenders have agreed to such amendments upon and subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Administrative Agent, and Lenders hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the respective meanings assigned to such terms in the Amended Credit Agreement.

SECTION 2. Amendments to Existing Credit Agreement. The Existing Credit Agreement is hereby amended, effective as of the Amendment No. 3 Effective Date (as defined below), as follows:

(a) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the defined term "**Term Loan Maturity Date**" to delete the text "November 15, 2022" and replace it with "November 15, 2023".

(b) The first sentence of Section 2.5(a) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

> "Except as otherwise set forth herein, the Term Loan shall bear interest on the unpaid principal amount thereof (x) from the date made to (but not including) the Amendment No. 2 Effective Date at the rate of 1.0% per annum and, thereafter, (y) from (and including) the Amendment No. 2 Effective Date through the earlier to occur of the repayment (whether by acceleration or otherwise) thereof or conversion thereof into Capital Stock of the Company at the rate of 6.0% per annum (except that from (and including) the Amendment No. 3 Effective Date to (but not including) the first anniversary of the Amendment No. 3 Effective Date at the rate of 4.0% per annum)."

SECTION 3. Representations and Warranties of Borrower. By its execution and delivery of this Amendment, Borrower hereby represents and warrants that each of the representations and warranties contained in Section 4 of the Amended Credit Agreement (which are incorporated herein by this reference, *mutatis mutandis*) are true and correct in all material respects on and as of the Amendment No. 3 Effective Date (except for those representations and warranties that are conditioned by materiality, which are true and correct in all respects) to the same extent as though made on and as of such date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (except for those representations and warranties that are conditioned by materiality, which were true and correct in all respects) on and as of such earlier date.

SECTION 4. Conditions of Effectiveness. This Amendment shall become effective on and as of the date (such date, the "Amendment No. 3 Effective Date") upon which all of the following conditions set forth in this Section 4 shall have been satisfied:

(a) Receipt by Administrative Agent of counterparts of this Amendment duly executed by Borrower, Lenders and Administrative Agent.

(b) On the Amendment No. 3 Effective Date after giving effect to this Amendment, (i) each of the representations and warranties contained in Section 4 of the Existing Credit Agreement are true and correct in all material respects on and as of the Amendment No. 3 Effective Date (except for those representations and warranties that are conditioned by materiality, which are true and correct in all respects) to the same extent as though made on and as of such date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (except for those representations and warranties that are conditioned by materiality, which were true and correct in all respects) on and as of such earlier date, (ii) no event shall have occurred and be continuing or would result from the consummation of this Amendment that would constitute an Event of Default under the Existing Credit Agreement.

(c) The Administrative Agent (as defined in the Credit and Guaranty Agreement) shall have received from OpCo a one-time prepayment of the Term Loan (as defined in the Credit and Guaranty Agreement) under the Credit and Guaranty Agreement in an amount equal to $10,500,000, such prepayment to be applied in the same manner as set forth in Section 2.10(a) of the Credit and Guaranty Agreement.

(d) Holdings, OpCo, Administrative Agent and Lenders party to the Credit and Guaranty Agreement will have executed and delivered an amendment to the Credit and Guaranty Agreement in form and substance reasonably satisfactory to Administrative Agent.

SECTION 5. Reference to and Effect on the Credit Agreement.

(a) Upon the Amendment No. 3 Effective Date, each reference in the Existing Credit Agreement to "this Agreement," "hereunder," "hereof" or words of like import shall mean and be a reference to the Amended Credit Agreement and each reference in any other Credit Document to "the Credit Agreement" shall mean and be a reference to the Amended Credit Agreement.

(b) Except as specifically amended hereby, the Credit Documents shall remain in full force and effect and are hereby ratified and confirmed. Other than as expressly set forth herein, nothing in this Amendment shall be deemed to constitute a waiver by Administrative Agent or any Lender of any Default or Event of Default, nor constitute a waiver of any provision of the Existing Credit Agreement, this Amendment, the Amended Credit Agreement, any Credit Document or any other documents, instruments or agreements executed and/or delivered in connection herewith or therewith, whether now existing or hereafter arising, or of any right, power or remedy that Administrative Agent or Lenders may have under any of the Credit Documents or applicable law. Upon the Amendment No. 3 Effective Date, this Amendment, the Amended Credit Agreement and the other Credit Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties hereto with respect to the subject matter hereof.

(c)Borrower and the other parties hereto acknowledge and agree that, on and after the Amendment No. 3 Effective Date, this Amendment shall constitute a Credit Document for all purposes of the Amended Credit Agreement.

SECTION 6.Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal laws applicable to national banks.

SECTION 7.Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 8.Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile, e-mailed .pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 9.Reaffirmation. Borrower hereby ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Credit Documents to which it is a party (after giving effect hereto). Borrower hereby consents to this Amendment and each of the transactions contemplated hereby and acknowledges that each of the Credit Documents (as amended through and including the date hereof) remains in full force and effect and is hereby ratified and reaffirmed.

SECTION 10.No Novation. Neither this Amendment nor the Amended Credit Agreement shall extinguish the obligations for the payment of money outstanding under the Existing Credit Agreement. Nothing herein contained shall be construed as a substitution or novation of the Obligations outstanding under the Existing Credit Agreement, which shall remain in full force and effect, except to any extent modified hereby or by instruments executed concurrently herewith. Nothing implied by this Amendment, the Amended Credit Agreement or in any other document contemplated hereby or thereby shall be construed as a release or other discharge of Borrower under the Existing Credit Agreement, the Amended Credit Agreement or any other Credit Document. Each of the Existing Credit Agreement and the other Credit Documents shall remain in full force and effect, except to the extent specifically modified hereby or in connection herewith. It is the intention of the parties hereto that neither this Amendment nor the Amended Credit Agreement constitute a novation of the Obligations outstanding under the Existing Credit Agreement, all of which shall remain in full force and effect after the date hereof, as amended by this Amendment.

SECTION 11.Release. Borrower hereby waives, releases, remises and forever discharges Administrative Agent, Lead Arranger and Lenders whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which Borrower ever had, now has or might hereafter have against Administrative Agent, Lead Arranger or Lenders and each other Indemnitee arising from any event occurring on or prior to the date hereof which relates, directly or indirectly, to the Term Loan or the Credit Documents or any acts or omissions of Administrative Agent, Lead Arranger, Lenders or any other Indemnitee in respect of the Term Loan or the Credit Documents.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

WAITR HOLDINGS INC.

By: /s/ Leonid Bogdanov
Name: Leonid Bogdanov
Title: Chief Financial Officer

Signature Page to
Amendment No. 3 to Credit Agreement

LUXOR CAPITAL GROUP, LP
as Administrative Agent and Lead Arranger

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL PARTNERS, LP,
as Lender

By: Luxor Capital Group, LP,
its Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL PARTNERS OFFSHORE MASTER FUND, LP,
as Lender

By: Luxor Capital Group, LP,
its Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

Signature Page to
Amendment No. 3 to Credit Agreement

LUXOR WAVEFRONT, LP,
as Lender

By: Luxor Capital Group, LP,
its Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUGARD ROAD CAPITAL MASTER FUND, LP
as Lender

By: Luxor Capital Group, LP,
its Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

Exhibit 10.7

AMENDMENT NO. 3

to

CREDIT AND GUARANTY AGREEMENT

This AMENDMENT NO. 3 TO CREDIT AND GUARANTY AGREEMENT (this "Amendment") is made as of July 15, 2020, by and among WAITR INC., a Delaware corporation ("Borrower"), WAITR INTERMEDIATE HOLDINGS, LLC, a Delaware limited liability company ("Holdings"), LUXOR CAPITAL, LLC, as a Lender (as hereinafter defined) and LUXOR CAPITAL GROUP, LP, as administrative agent (in such capacity, the "Administrative Agent") and collateral agent (in such capacity, the "Collateral Agent") for the Lenders.

WHEREAS, Borrower, Holdings, Administrative Agent, and the lenders from time to time party thereto (the "Lenders") are parties to that certain Credit and Guaranty Agreement dated as of November 15, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof (including as amended pursuant to (i) that certain Amendment No. 1 to Credit and Guaranty Agreement dated as of January 17, 2019 and (ii) that certain Amendment No. 2 to Credit and Guaranty Agreement dated as of May 21, 2019), the "Existing Credit Agreement"; and the Existing Credit Agreement, as amended by this Amendment being referred to herein as the "Amended Credit Agreement").

WHEREAS, Borrower has requested that Lenders amend the Existing Credit Agreement so as to effectuate the amendments contemplated by Section 2 hereof.

WHEREAS, Borrower, Holdings, Administrative Agent, and Lenders have agreed to such amendments upon and subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Holdings, Administrative Agent, and Lenders hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the respective meanings assigned to such terms in the Amended Credit Agreement.

SECTION 2. Amendments to Existing Credit Agreement. The Existing Credit Agreement is hereby amended, effective as of the Amendment No. 3 Effective Date (as defined below), as follows:

(a) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the defined term "**Term Loan Maturity Date**" to delete the text "November 15, 2022" and replace it with "November 15, 2023".

(b) Section 2.5(a) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

(a) Except as otherwise set forth herein,

(i) the Closing Date Term Loan shall bear interest on the unpaid principal amount thereof (x) from the date made to (but not including) the Amendment No. 1 Effective Date at the rate of 7.0% per annum and, thereafter, (y) from (and including) the Amendment No. 1 Effective Date through repayment (whether by acceleration or otherwise) thereof at the rate of 7.125% per annum (except that from (and including) the Amendment No. 3 Effective Date to (but not including) the first anniversary of the Amendment No. 3 Effective Date at the rate of 5.125% per annum); and

(ii) the Amendment No. 1 Term Loan shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof at the rate of 7.125% per annum (except that from (and including) the Amendment No. 3 Effective Date to (but not including) the first anniversary of the Amendment No. 3 Effective Date at the rate of 5.125% per annum).

SECTION 3.Representations and Warranties of the Credit Parties. By its execution and delivery of this Amendment, each Credit Party hereby represents and warrants that each of the representations and warranties contained in Section 4 of the Amended Credit Agreement (which are incorporated herein by this reference, *mutatis mutandis*) are true and correct in all material respects on and as of the Amendment No. 3 Effective Date (except for those representations and warranties that are conditioned by materiality, which are true and correct in all respects) to the same extent as though made on and as of such date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (except for those representations and warranties that are conditioned by materiality, which were true and correct in all respects) on and as of such earlier date.

SECTION 4.Conditions of Effectiveness. This Amendment shall become effective on and as of the date (such date, the "Amendment No. 3 Effective Date") upon which all of the following conditions set forth in this Section 4 shall have been satisfied:

(a)Receipt by Administrative Agent of counterparts of this Amendment duly executed by each Credit Party, Lenders and Administrative Agent.

(b)On the Amendment No. 3 Effective Date after giving effect to this Amendment, (i) each of the representations and warranties contained in Section 4 of the Existing Credit Agreement are true and correct in all material respects on and as of the Amendment No. 3 Effective Date (except for those representations and warranties that are conditioned by materiality, which are true and correct in all respects) to the same extent as though made on and as of such date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (except for those representations and warranties that are conditioned by materiality, which were true and correct in all respects) on and as of such earlier date, (ii) no event shall have occurred and be continuing or would result from the consummation of this Amendment that would constitute an Event of Default under the Existing Credit Agreement.

(c)Receipt by Administrative Agent of a one-time prepayment of the Term Loan by Borrower in an amount equal to $10,500,000, such prepayment to be applied in the same manner as set forth in Section 2.10(a) of the Existing Credit Agreement.

(d)Parent, Administrative Agent and Lenders (as defined therein) party to the Parent Convertible Notes Credit Agreement will have executed and delivered an amendment to the Parent Convertible Notes Credit Agreement in form and substance reasonably satisfactory to Administrative Agent.

SECTION 5.Reference to and Effect on the Credit Agreement.

(a)Upon the Amendment No. 3 Effective Date, each reference in the Existing Credit

Agreement to "this Agreement," "hereunder," "hereof" or words of like import shall mean and be a reference to the Amended Credit Agreement and each reference in any other Credit Document to "the Credit Agreement" shall mean and be a reference to the Amended Credit Agreement.

(b)Except as specifically amended hereby, the Credit Documents shall remain in full force and effect and are hereby ratified and confirmed. Other than as expressly set forth herein, nothing in this Amendment shall be deemed to constitute a waiver by Administrative Agent or any Lender of any Default or Event of Default, nor constitute a waiver of any provision of the Existing Credit Agreement, this Amendment, the Amended Credit Agreement, any Credit Document or any other documents, instruments or agreements executed and/or delivered in connection herewith or therewith, whether now existing or hereafter arising, or of any right, power or remedy that Administrative Agent or Lenders may have under any of the Credit Documents or applicable law. Upon the Amendment No. 3 Effective Date, this Amendment, the Amended Credit Agreement and the other Credit Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties hereto with respect to the subject matter hereof.

(c)Borrower and the other parties hereto acknowledge and agree that, on and after the Amendment No. 3 Effective Date, this Amendment shall constitute a Credit Document for all purposes of the Amended Credit Agreement.

SECTION 6.Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal laws applicable to national banks.

SECTION 7.Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 8.Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile, e-mailed .pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 9.Reaffirmation. Each of the Credit Parties as debtor, grantor, pledgor, guarantor, assignor, or in any other similar capacity in which such Credit Party grants liens or security interests in its property or otherwise acts as an accommodation party or guarantor, as the case may be, (a) hereby ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Credit Documents to which it is a party (after giving effect hereto) and (b) to the extent such Credit Party granted liens on or security interests in any of its property pursuant to any Credit Document as security for or otherwise guaranteed the Obligations under or with respect to the Credit Documents, hereby ratifies and reaffirms such guarantee and grant of security interests and liens and confirms and agrees that such security interests and liens hereafter secure all of the Obligations as amended hereby. Each of the Credit Parties hereby consents to this Amendment and each of the transactions contemplated hereby and acknowledges that each of the Credit Documents (as amended through and including the date hereof) remains in full force and effect and is hereby ratified and reaffirmed.

SECTION 10.No Novation. Neither this Amendment nor the Amended Credit Agreement shall extinguish the obligations for the payment of money outstanding under the Existing Credit Agreement or discharge or release any Lien or priority of any Collateral Document or any Loan Guaranty or any other security therefor. Nothing herein contained shall be construed as a substitution or novation of the Obligations outstanding under the Existing Credit Agreement or any Collateral Document or instruments securing the same, which shall remain in full force and effect, except to any extent modified hereby or by instruments executed concurrently herewith. Nothing implied by this Amendment, the Amended Credit Agreement or in any other document contemplated hereby or thereby shall be construed as a release or other discharge of the Credit Parties under the Existing Credit Agreement, the Amended Credit Agreement or any other Credit Document. Each of the Existing Credit Agreement and the other Credit Documents shall remain in full force and effect, except to the extent specifically modified hereby or in connection herewith. It is the intention of the parties hereto that neither this Amendment nor the Amended Credit Agreement constitute a novation of the Obligations outstanding under the Existing Credit Agreement or any collateral securing the same, all of which shall remain in full force and effect after the date hereof, as amended by this Amendment.

SECTION 11.Release. Borrower and each Credit Party hereby waive, release, remise and forever discharge Administrative Agent, Collateral Agent, Lead Arranger and Lenders whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which Borrower and any other Credit Party ever had, now has or might hereafter have against Administrative Agent, Collateral Agent, Lead Arranger or Lenders and each other Indemnitee arising from any event occurring on or prior to the date hereof which relates, directly or indirectly, to the Term Loan or the Credit Documents or any acts or omissions of Administrative Agent, Collateral Agent, Lead Arranger, Lenders or any other Indemnitee in respect of the Term Loan or the Credit Documents.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

WAITR INC.

By: /s/ Leonid Bogdanov
Name: Leonid Bogdanov
Title: Chief Financial Officer

WAITR INTERMEDIATE HOLDINGS, LLC

By: /s/ Leonid Bogdanov
Name: Leonid Bogdanov
Title: Chief Financial Officer

LUXOR CAPITAL GROUP, LP
as Administrative Agent, Lead Arranger and Collateral Agent

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

Signature Page to
Amendment No. 3 to Credit and Guaranty Agreement

LUXOR CAPITAL, LLC,
as Lender

By: Luxor Capital Group, LP,
its Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

Signature Page to
Amendment No. 3 to Credit and Guaranty Agreement

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Carl A. Grimstad, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Waitr Holdings 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 controls 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 most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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 the 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: August 6, 2020

By: /s/ Carl A. Grimstad

Carl A. Grimstad
Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Leo Bogdanov, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Waitr Holdings 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 controls 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 most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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 the 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: August 6, 2020

By: /s/ Leo Bogdanov
Leo Bogdanov
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TOSECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Waitr Holdings Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Carl A. Grimstad, certify, as of the date hereof and solely for purposes of and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates set forth and for the periods presented in the Report.

By: /s/ Carl A. Grimstad
Carl A. Grimstad
Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

Date: August 6, 2020

EXHIBIT 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TOSECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Waitr Holdings Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Leo Bogdanov, certify, as of the date hereof and solely for purposes of and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates set forth and for the periods presented in the Report.

By: /s/ Leo Bogdanov
Leo Bogdanov
Chief Financial Officer
(Principal Financial Officer)

Date: August 6, 2020