Report by the Management Board to the Shareholders' General Meeting regarding the exercise of authorised capital with exclusion of subscription rights

(according to Section 203 (2) Sentence 2 AktG [German Shares Act] in conjunction with Section 186 (4) Sentence 2 AktG)

By resolution of the Shareholders' General Meeting of 30 May 2017, the Management Board is authorised, with the consent of the Supervisory Board, and under the re-drafting of Sec. 4 (3) of the Articles of Association, to increase the share capital of the company in one or in several stages up to a total of EUR 4,676,861.00 in exchange for cash contributions and/or contributions in kind by issuing new no-par-value bearer shares (ordinary shares) up to the end of 29 May 2022 (Authorised Capital 2017). The authorised capital was registered in the Commercial Register of the District Court Bonn on 1 June 2017. A constituent part of the authorised capital is amongst others an authorisation of the Management Board, with the agreement of the Supervisory Board, to exclude shareholders' subscription rights according to Section 186 (3) Sentence 4 AktG for capital increases in exchange for cash contributions, if the issue price of the new shares does not substantially fall below the market price of the shares already listed and the proportional amount of the shares issued under Section 186 (3) Sentence 4 AktG with the exclusion of subscription rights does not exceed ten per cent (10%) of the share capital on the date of entry of this authorisation in the commercial register or, if this amount is lower, at the relevant time the authorisation is exercised.

The Management Board of Vapiano SE resolved on 23 October 2018, with the agreement of the Supervisory Board of the same date, to increase the share capital of Vapiano SE from € 24,029,833.00 excluding subscription rights by a nominal € 2,033,418.00 to € 26,063,251.00 in exchange for the issuance of 2,033,418 new no-par bearer shares. The new shares shall carry the same rights as the existing shares of the company. This corresponds to an increase of the company's share capital existing at the time of entry of the authorisation and simultaneously at the time of exercise of the authorised capital of c. 8.46%. The volume restriction envisaged in the authorised capital for shares which were issued under the exclusion of subscription rights in exchange for cash contributions was therefore fulfilled; other measures to be attributed to this volume restriction were not undertaken by the company before and until the date of publication of this invitation.

The newly-issued no-par value shares in Vapiano SE were initially offered to qualified investors in an expedited book-building process at a price of at least € 10.00 per no-par value share (issue price, respectively placement price). All newly issued shares were then allocated to the main shareholders of Vapiano SE, Mayfair Beteiligungsfond II GmbH & Co. KG, VAP Leipzig GmbH & Co. KG and Exchange Bio GmbH, who in this way supported the capital increase of the company. There were no other purchase offers. The capital increase became effective as of 24 October 2018 with the registration of its execution in the Commercial Register of the District Court Cologne. The Articles of Association were amended accordingly.

When determining the price, the requirements of Sections 203 (2), 186 (3) Sentence 4 AktG were taken into account. According to this, an exclusion of subscription rights in a capital increase in exchange for cash contribution can only take place for up to 10% of the stock capital. This upper limit was not reached with a capital increase volume of around 8.46%. In addition, the price for the new shares must not substantially undercut the exchange price of the company shares. This condition was also met. The Management Board had determined the placement price for all new shares at € 10.00 per share with the agreement of the Supervisory Board. Indeed, the placement amount was even set higher than the share price at the time. Through the price determination of € 10.00 per no-par value share and the volume of the capital increase being restricted to 10% of the previous share capital, the asset and voting interests of the original shareholders were therefore appropriately safeguarded.

With the exclusion of the shareholders' subscription rights, the company took advantage of a statutorily provided option in Section 203 (2), 186 (3) Sentence 4 AktG of exclusion of subscription rights for cash capital increases of stock exchange listed companies. The selection of this transaction structure was also the suitable, necessary and, in consideration of the company's and shareholders' interests, the appropriate transaction structure, in order to cover the capital requirement of the company at that time of 20 million euros within the required timeframe. A rights issue would not have been an appropriate alternative as it would have entailed a much longer preparation and implementation period with regard to the required creation of a securities prospectus and compliance with the two-week subscription period, as well as substantially higher costs, and would therefore have been disadvantageous from the point of view of the company.

The placement with the three main shareholders of the company, Mayfair Beteiligungsfond II GmbH & Co. KG, VAP Leipzig GmbH & Co. KG and Exchange Bio GmbH, was also in the predominant interests of the company. They had expressed their readiness to support the company by being prepared to pay a placement price that was above the share price at the time, at € 10.00 per share. The determination of the placement price at this level meant that the company did not have to issue as many shares to achieve the targeted and required emission earnings of 20 million euros, which means that the economic dilution was lower for the remaining shareholders. With the allocation of the shares to the three main shareholders, the company was also not pursuing the aim of strengthening their shareholder position. For this reason, the company agreed with the advising bank that an expedited book building process would be started, in the framework of which its institutional investors were given the opportunity of participating in the capital increase.

The capital increase meant that Vapiano SE was able to strengthen their capital basis and thus substantially improve the financing structure. The net earnings in the amount of € 20,033,418.00 were used to secure further growth and strategic continued development. The demand for the capital increase was caused by the deterioration, respectively the exceeding of the covenants agreed with the credit-financing debt capital providers, of the net indebtedness ratio and of the net equity. In view of the operative development at the time and at present, the capital increase particularly served the improvement of the capital structure and liquidity and additionally the improvement of the future negotiation basis with the credit-financing debt capital providers.

On the basis of the continuing resolution of the Shareholders' General Meeting of 30 May 2017, the Management Board is authorised, with the consent of the Supervisory Board, to increase the stock capital of the company in one or in several stages by the remaining authorised capital of in the amount of € 2,643,443.00 in exchange for cash contributions and/or contributions in kind, by issuing 2,643,443 new no-par-value bearer shares up until 29 May 2022.

Cologne, 04 July 2019

Vapiano SE

The Management Board