Fastned - H1 2016 Letter to Certificate Holders

Volume growth, revenue growth and customer growth:

- Volume growth of 368% in H1 2016 vs H1 2015. Compounded monthly average growth rate of 11% since December 2015
- Revenues growth of 256% in H1 2016 vs H1 2015. Compounded monthly average growth rate of 10% since December 2015. Note: the difference between volume growth and revenue growth is largely attributable to introduction of the 'first month for free' in December of 2015
- Customer growth of 156% on 30 June 2016 vs 30 June 2015. Compounded monthly average growth rate of 7% since December 2015

Investments, operations & strategic deals:

- Station uptime consistently at 99.99%
- Changed listing from NPEX to the regulated stock exchange Nxchange
- Successful placement of EUR 3.07 million in certificates of shares via Nxchange
- Prolongation of Nissan deal that includes 4 years of fast charging at Fastned with Nissan EVs
- Successfully equipped all 50 stations with Tesla Chademo adapters, effectively doubling our market (nearly half of all full EVs in the Netherlands are Teslas as of 30 June 2016)
- Finalised our integration with charge card providers such as The New Motion, EV-Box and ANWB
- Signed agreements with Dutch Railways (NS) for land leases in Amsterdam, Rotterdam and The Hague

Amsterdam, 28/07/2016

Dear certificate holder,

We look back at a half year with continuing exponential growth of revenues, kWhs delivered and number of customers. In the first half of 2016 revenues grew at an average rate of 10% per month, volume grew at an average rate of 11% per month, and the number of registered customers grew at an average rate of 7% per month. Because no new stations were added during this half year, growth was entirely driven by more customers and more kWh sold to each customer at existing stations. This resulted in significantly more and longer charging sessions per station. This autonomous growth proves our relevance to EV drivers based on network coverage (50 stations operational in H1), extremely reliable service (99.99% uptime per station) and transparent, attractive pricing.

A review of our activities

In the first half of 2016 we concentrated on raising additional funds to finance the growth of our network; developing urban and international stations. At the same time we are progressing with WBR permits, municipality permits and grid connections in preparation of the construction of more stations. Furthermore, our building team finalised the design of our urban stations, and we aligned suppliers for first deployment in the second half of 2016.

In April, Fastned signed an agreement with the Dutch Railways (NS) to develop three fast charging stations for electric cars in Amsterdam, Rotterdam and The Hague. We have worked hard on the implementation of OCPI in our back-office systems and finalised our integration with charge card providers such as The New Motion, EV-Box and ANWB based on this protocol. Furthermore, we have been redesigning and updating our smartphone application to make charging even easier.

In April, after having received approval of the Authority Financial Markets (AFM), we made the transition from our listing on NPEX to the regulated stock exchange Nxchange. As a prerequisite, we switched our accounting to comply with IFRS standards. Directly following the transition, we started a bookbuilding process for a new funding round. This bookbuild went hand-in-hand with a marketing campaign to increase awareness with investors. In total we were very happy to raise EUR 3.07 mln in funds in a period of 5 weeks.

Last but not least we effectively doubled our market in March by adding Tesla Chademo adapters to all stations. Where previously Teslas could charge at 11/22kW, they can now charge at 50kW at all Fastned stations.

Our market

In the first six months of 2016, the number of full electric cars (FEV's) on the Dutch roads increased from 9,368 to 11,041 (+18%) (Data: RVO). The Tesla Model S remains by far the most popular EV in the Netherlands with 5,229 registered cars, almost half of all full electric vehicles. For this reason, Fastned installed Tesla Chademo-adapters at all our stations. As a result, we now see increasing numbers of Teslas charging at our stations.

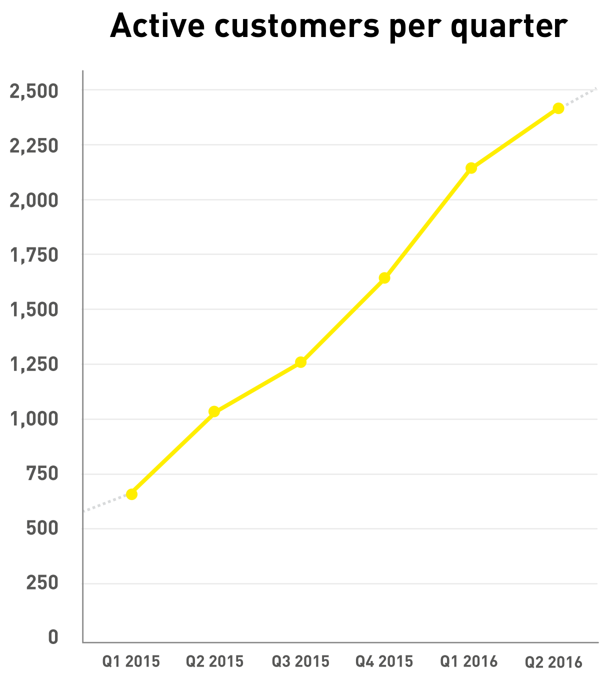
Over the past few months it was announced that the battery capacity of many first generation EVs will be increased significantly. The Nissan Leaf went from 24kWh to 30kWh (170km real world range) in February. The new BMW i3 with similar range is expected just after summer. An updated VW Golf with around 200km real world range is expected towards the end of the year.

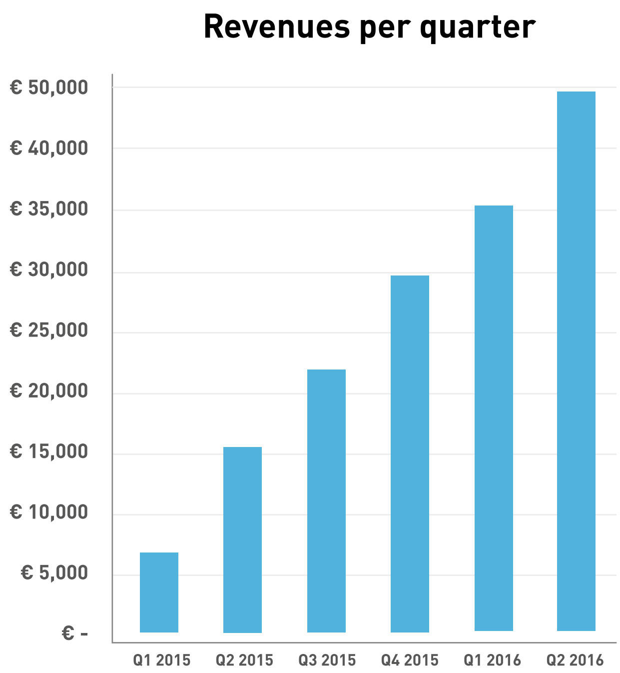
Furthermore, second generation EVs are expected to offer even more range and allow faster charging while at the same time becoming more affordable. The most prominent example is the Opel Ampera-e (Chevrolet Bolt), which will probably arrive in Europe beginning of 2017. This car is said to be the first affordable electric car with 300km of real world range. Around the same time, Nissan is expected to bring to market the next generation Leaf. We expect the popular Tesla Model 3 to hit the European market in 2018. These are just a few examples of exciting developments in the car market. Further reason for optimism is that Volkswagen announced multibillion euro investments in battery factories, and full electrification of 25% of all their cars sold by 2025.

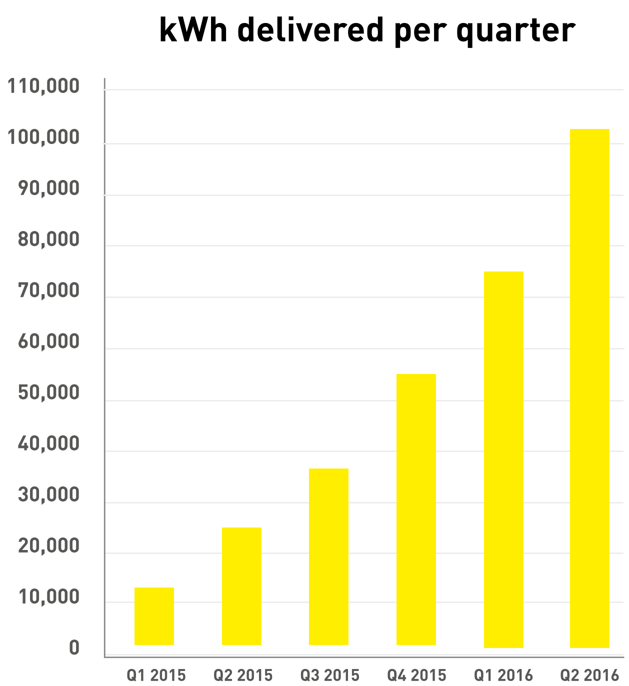
Unaudited Financials

> Revenues

Our total (unaudited) revenues for H1 2016 added up to EUR 85,349, an increase of 256% compared to H1 2015. These revenues were generated by close to 20,000 charging sessions. This strong growth is driven both by new customers as well as more kWh delivered per charging session.







Operating results

As expected, Fastned had an (unaudited) operating loss of EUR 2.2 million in the first six months of 2016. This is in line with the results over H2 2015 which means Fastned was able to keep its operational costs stable, even with higher revenues and hiring 4 new employees since December 2015. The total number of employees is now 23 employees (21.6 FTE).

Cash flows

As anticipated, Fastned had negative cash flows from operating activities and from investments in the first six months of 2016. During this period we spent close to EUR 1.1 million on operations and EUR 1.0 million on capital expenditures (unaudited). In anticipation of funding, no new stations were added in the first half of 2016. However, preparations for the construction of the next stations, both national and international, urban and highway, continued at full speed. Most capital expenditures were done in the last month of this semester as we ordered the next batch of stations to be built in the second half of 2016.

Funding

In May 2016, Fastned raised EUR 3.07 million via a placement of certificates of shares via the Nxchange stock exchange. The main motivation to change our listing from NPEX was improved liquidity and the pan-European ambitions of Nxchange that fit well with our European ambitions. Just like Euronext, Nxchange has a permit of the Dutch Financial Authority (AFM) to operate as a regulated market. As a result of this transition more parties will be able to invest in Fastned. We already see vastly improved liquidity on the exchange and expect this to improve further as time goes by.

Including interest, at 30 June 2016 we have EUR 10.30m of debt outstanding under the Breesaap facility and EUR 2.58m of debt outstanding under the Flowfund facility. This includes rolled-up interest over the first six months of 2016. In addition, we have drawn EUR 600,000 under the Wilhelmina-Dok B.V. working capital facility. This means we still have EUR 3.5 million available under this facility.

We are continuing our talks with different types of investors to further fund and grow the network. It is evident that car manufacturers that are on track to introduce premium full electric cars between 2018-2020 will need a fully operational, Europe-wide high powered charging network. Fastned is uniquely positioned to deliver on this challenge.

Principal risk factors

On pages 19 to 21 of our 2015 Annual Report and Accounts we set out our assessment of the principal risk issues that would face the business through 2016 under the headings: market risk (number of EV's on the road, charging behaviour, technology development), operational risk (active in one sector only, electricity prices, system failures) and financial risk (insufficient funds, insufficient cash flows). In our view, the nature and potential impact of such risks remain essentially unchanged with regards to our performance over the second half of 2016.

Outlook

In H2 of 2016 we will be building stations again. At the end of the year this should result in 58 operational stations of which 3 city locations in The Hague.

As we get closer to 2017 we expect increasing news coverage of next generation EVs, especially from auto shows such as the IAA in Frankfurt in September and the Paris Motor Show in October. Also, we expect increasing interest in EVs in the Netherlands as a result of new tax incentive schemes. Starting 1 January 2017, all cars with an exhaust pipe (including PHEVs) will be taxed at 22% 'bijtelling' while driving a full electric vehicle remains favorably taxed at just 4%.

The next half year we will be working on new locations (urban & international), additional financing and improving our offer to current and new EV drivers. We also hope to make charging at Fastned an interesting proposition to more people (especially people without a private driveway) with the introduction of the "Power" price plan (introduced on July 22).

We are confident that we can capitalise on our growing expertise to provide increasing value to our customers and investors.

Amsterdam, 28 July 2016

Michiel Langezaal
Founder & Director

Bart Lubbers
Founder & Director

> Appendix 1: Key figures
(unaudited)

	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
WBR permits	155	154	146	139	137	124
Municipality permits[1]	93	88	82	77	75	70
Grid connections [2]	61	59	59	51	44	38
Number of stations operational	50	50	50	40	36	27
Number of FEV's in the Netherlands [3]	11,041	10,393	9,368	9,038	8,425	7,749
Active customers	2,424	2,174	1,654	1,267	1,043	656
Number of employees	23	24	24	20	20	20
kWh delivered	102,341	74,993	54,431	36,955	25,560	12,360
Revenues (EUR)	49,884	35,465	29,716	22,230	16,330	7,612

[1] Including three permits for city locations
[2] Including two grid connections in city locations
[3] Source: RVO

Appendix 2: Interim condensed consolidated statement of profit and loss

(unaudited)

For the six months ended 30 June 2016

INCOME STATEMENT		**First half**	
	Notes	**2016**	**2015**
		€	**€**
Revenues	3	**85,349**	**24,146**
Cost of sales		(49,009)	(8,652)
Gross Profit		**36,340**	**15,494**
Other operating income		-	-
Selling and distribution expenses		(114,521)	(148,374)
Administrative expenses		(1,343,836)	(776,807)
Other operating expenses		(386,767)	(443,849)
Operating loss		**(1,808,784)**	**(1,353,536)**
Finance costs		(421,929)	(287,309)
Finance income			-
Loss before tax		**(2,230,713)**	**(1,640,845)**
Income tax expenses	4	-	-
Loss for the period		**(2,230,713)**	**(1,640,845)**
Attributable to:			
- Equity holders of the Group		(2,230,713)	(1,640,845)
Earnings per share			
Basic, loss for the period attributable to ordinary equity holders of the Group		(0.18)	(0.13)
Diluted, loss for the period attributable to ordinary equity holders of the Group[4]		(0.18)	(0.13)

[4] In calculating diluted earnings per share and earnings per share, one adjustment is made to the number of shares: the conversion of the loans of Beheersmaatschappij Breesaap and Stichting Flowfund into certificates for EUR 10,- per certificate. As the conversion is anti-dilutive, diluted EPS is the same as basic EPS

> Appendix 3: Interim condensed consolidated statement of comprehensive income

(unaudited)

For the six months ended 30 June 2016

	First half	
	2016	**2015**
	€	**€**
Loss for the period	**(2,230,713)**	**(1,640,845)**
Other comprehensive income	-	-
Total comprehensive income for the period, net of tax	**(2,230,713)**	**(1,640,845)**
Attributable to:		
- Equity holders of the Group	(2,230,713)	(1,640,845)

> Appendix 4: Interim condensed consolidated statement of financial position

(unaudited)

As at 30 June 2016

	Notes	30 Jun 2016 Unaudited	31 Dec 2015 Audited
		€	€
ASSETS			
Non-current assets			
Property, plant and equipment	5	13,316,171	12,744,522
Non-current financial assets		1,195,402	1,044,350
		14,511,573	13,788,872
Current assets			
Trade and other receivables		205,728	15,428
Prepayments		553,406	202,327
Other current financial assets			
Cash and cash equivalents	8	3,588,979	2,694,541
		4,348,113	2,912,295
Total ASSETS		**18,859,686**	**16,701,167**

	Notes	30 Jun 2016 Unaudited	31 Dec 2015 Audited
EQUITY AND LIABILITIES		€	€
Equity			
Issued share capital	7	129,347	126,273
Share premium reserve	7	8,015,630	5,474,640
Retained earnings		(9,547,720)	(7,317,008)
		(1,402,743)	(1,716,095)
Non-current liabilities			
Interest-bearing loans and borrowings	6	14,467,089	13,448,560
Provisions	9	1,095,282	904,914
Deferred revenues	10	501,646	-
Current liabilities			
Trade and other payables		4,198,412	4,063,788
		20,262,429	18,417,261
Total EQUITY AND LIABILITIES		**18,859,686**	**16,701,167**

> Appendix 5: Interim condensed consolidated statement of changes in equity

(unaudited)

For the six months ended 30 June 2016

	Attributable to the equity holders of the Group			
	Issued capital (Note 7)	**Share premium** (Note 7)	**Retained earnings**	**Total**
	€	**€**	**€**	**€**
As at 1 January 2016	**126,273**	**5,474,640**	**(7,317,007)**	**(1,716,095)**
Loss for the period	-	-	(2,230,713)	(2,230,713)
Other comprehensive income	-	-	-	-
Total comprehensive income	126,273	5,474,640	(9,547,720)	(3,946,808)
Issue of share capital	3,075	2,540,990	-	2,544,065
At 30 June 2016 (unaudited)	**129,347**	**8,015,630**	**(9,547,720)**	**(1,402,743)**

	Attributable to the equity holders of the Group			
	Issued capital (Note 7)	**Share premium** (Note 7)	**Retained earnings**	**Total**
	€	**€**	**€**	**€**
As at 1 January 2015	**123,757**	**2,895,593**	**(3,345,522)**	**(326,172)**
Loss for the period	-	-	(1,640,845)	(1,640,845)
Other comprehensive income	-	-	-	-
Total comprehensive income	123,757	2,895,593	(4,986,367)	(1,967,017)
Issue of share capital	980	978,770	-	979,750
At 30 June 2015 (unaudited)	**124,737**	**3,874,363**	**(4,986,367)**	**(987,267)**

> Appendix 6: Interim condensed consolidated statement of cash flows

(unaudited)

For the six months ended 30 June 2016

CASH FLOW STATEMENT		**First half**	
	Notes	**2016**	**2015**
		€	**€**
Operating activities			
Loss before tax		**(2,230,713)**	**(1,640,845)**
Adjustments to reconcile loss before tax to net cash flows			
-Depreciation and impairment of property, plant and equipment		536,562	202,456
-Interest added to loans and borrowings		418,529	286,631
-Reversal of non-cash provision for Fastned Founders	9	63,073	-
-Deferral of unearned revenues	10	501,646	-
Working capital adjustments to:			
-Increase in trade and other receivables and prepayments		(541,380)	132,933
-Increase in trade and other payables		134,625	225,476
Net cash flows from operating activities		**(1,117,658)**	**(793,350)**
Investing activities			
Purchase of property, plant and equipment	5	(980,916)	(2,797,721)
Loan to Fastned Terra 1 and Fastned Terra 2	11	(151,052)	-
Net cash flows used in investing activities		**(1,131,969)**	**(2,797,721)**
Financing activities			
Proceeds from the issuance of shares	7	3,075	980
Share premium received	7	2,540,990	978,770
Purchase of own shares		-	-
Proceeds from borrowings	6	600,000	4,850,000
Net cash flows from / (used in) financing activities		**3,144,065**	**5,829,750**
Net increase in cash and cash equivalents		894,438	2,238,679
Cash and cash equivalents at 1 January		2,694,541	101,948
Cash on balance at 30 June	8	**3,588,979**	**2,340,628**

> General notes

1. Corporate information

The interim condensed consolidated financial statements of Fastned B.V. (the parent) and its subsidiaries (collectively, the Group) for the six months ended 30 June 2016 were authorised for issue in accordance with a resolution of the directors on 28 July 2016. Fastned B.V. (hereinafter: the Group) is a limited company incorporated and domiciled in the Netherlands and whose certificates are publicly traded. The registered office is located at James Wattstraat 77-79 in Amsterdam. The ultimate parent of the Group is Fastned B.V. The activities of the Group primarily consist of the exploitation of fast charging facilities for electric cars.

The consolidated financial statements of the Group include Fastned Products B.V. and Fastned Beheer B.V.. Both are 100% subsidiaries of Fastned B.V.. As agreed in the partnership agreements, both Maatschap Fastned Terra 1 and Maatschap Fastned Terra 2 have been transformed into B.V.'s in April and Fastned Beheer B.V. no longer participates in the respective new entities. Fastned Terra 1 B.V. nor Fastned Terra 2 B.V. are consolidated in the accounts of the Group.

Financial position and going concern assumption

As foreseen in the business plan and long-term forecast, the Group incurs negative results during the first years of its operations. The deficits are for a major part funded by borrowings as well as by issuance of certificates shares via FAST (Fastned Administratie Stichting). At balance sheet date this resulted in a negative equity of € 1,402,743. The Group's ability to continue as a going concern is highly contingent on the willingness of the lenders to continue the aforementioned loans, which has been confirmed in firm commitments for the period of at least 12 months after signing of the financial statements 2015. Both loans (Breesaap B.V. and Stichting Flowfund) are extended till 31 December 2018. Especially with the working capital facility of Wilhelmina-Dok B.V. to cover all operating expenses for the next three years (till 31 December 2018), Fastned has secured a solid financial basis for its operations. To finance the further roll-out of new charging stations in the Netherlands and Europe, the Group has issued certificates of shares in May 2016. Furthermore, cash flows are monitored closely and Fastned invests in new stations only if the Group is able to arrange financing for such investments. As a result, the present accounting policies of valuation and determination of result used are based on the assumption of going concern of the Group.

2. Basis of preparation and changes to the Group's accounting policies

The interim condensed consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2015.

The accounting principles and policies for the determination of the result are identical to those for the 2015 financial statements. The application of new standards has not resulted in any material changes in the figures and notes included in these half-year figures for 2016.

3. Segment reporting

The management has chosen to organise the Group in a single entity, hence there is only one reporting segment (charging). All of the Group's operations and charging stations are in the Netherlands, hence all of the revenues originated from the Netherlands.

4. Deferred tax

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Due to uncertainty about sufficient future profits in the period 2016 - 2025, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward. Due to the tax loss realised over H1 2016 and previous years for which no deferred tax asset is recognised in the statement of financial position, the effective tax rate is nil (H1 2015: nil).

5. Property, plant and equipment

During the six months ended 30 June 2016, the Group acquired assets with a cost of € 980,916 (the six months ended 30 June 2015: €2,797,721), excluding property, plant and equipment acquired through a business combination. This investment relates for the majority to investments already made for the new batch of stations to be build in the second half of 2016 but also include investments made to equip all 50 stations with a Tesla adapter and to improve the lighting for these 50 stations.

6. Financial liabilities: interest-bearing loans and borrowings

Fastned has drawn additional funds of € 600,000 under the working capital facility with Wilhelmina-Dok B.V. to finance part of its operating costs for the six months ended 30 June 2016. In addition, the loans with Beheersmaatschappij Breesaap and Stichting Flowfund have been increased with the interest amount due for the six months ended 30 June 2016.

Unaudited numbers	Interest rate	Maturity	30 June 2016	31 December 2015
Non-current interest-bearing loans and borrowings	**%**		**€**	**€**
6% secured loan I of € 2,500,000 with Stichting Flowfund	**6**	31 December 2018	**2,575,944**	**2,500,000**
6% secured loan II of € 10,000,000 with Beheersmaatschappij Breesaap B.V.	**6**	31 December 2018	**10,303,775**	**10,000,000**
6% secured working capital facility of € 5,000,000 with Wilhelmina-Dok B.V.	**6**	31 December 2018	**1,587,370**	**948,560**
Total non-current interest-bearing loans and borrowings			**14,467,089**	**13,448,560**
Total interest-bearing loans and borrowings			**14,467,089**	**13,448,560**

7. Issued capital and capital reserves

On 14th April 2016, Fastned announced to change stock exchanges and since then all certificates are no longer issued on NPEX, but on Nxchange. In addition, the Company issued 307,473 certificates of shares at a price of € 10.-, raising € 3,074,730, excluding related transaction costs.

Ordinary shares issued and fully paid (unaudited)	Quantity	€
At 1 January 2016	**12,627,339**	**126,273**
Issued to FAST on NPEX	307,473	3,075
At 30 June 2016	**12,934,812**	**129,348**

During the six months ended 30 June 2016, the authorised share capital was increased by € 3,075 by the issue of 307,473 ordinary shares of € 0.01 each.

Share premium (unaudited)	€
At 1 January 2016	**5,474,640**
Issuance of share capital (certificates)	3,071,655
Transaction costs for issued share capital (certificates)	(530,665)
At 30 June 2016	**8,015,630**

8. Cash and cash equivalents

Cash and cash equivalents are at the Group's free disposal with the exception of an amount of €1,001,647 related to the TEN-T subsidy and € 6,069 related company credit cards. The bank guarantee with Maatschap Fastned Terra 2 has been removed as Fastned has met the agreed conditions.

9. Provisions

Change in provisions of € 190,368.- is related to an increase of provision for the Fastned Founders Club and an increase in decommissioning as a result of more stations.

In the equity raising of H1 2016 25 investors joined the Fastned Founders Club by investing more than € 50,000.-. These new members will also have the rights to charge for free for the rest of their lives. Due to a change in the discount rate, the provision for decommissioning has increased.

10. Deferred revenues

Deferred revenues of € 501,646 (H1 2015: nil) relate to various pre-paid long-term subscriptions of customers.

11. Related party transactions

The following table provides the balances with related parties as at 30 June 2016 and 31 December 2015. Fastned has drawn an additional € 600,000 under the working capital facility with Wilhelmina-Dok B.V.. Both Maatschap Terra 1 and Maatschap Terra 2 have been transformed into B.V.'s in April 2016, but the loans have remained.

Related party disclosures
(unaudited)

		Amounts owed to related parties
Breesaap B.V.		**€**
Loans from related parties	**31 December 2015**	10,000,000
	Additions	303,775
	30 June 2016	10,303,775
Wilhelmina-Dok B.V.		
Loans from related parties	**31 December 2015**	948,560
	Additions	638,810
	30 June 2016	1,587,370

		Amounts owed to related parties
Fastned Terra 1 B.V. (previously Maatschap Terra 1)		
		€
Loans to related parties	**31 December 2015**	932,416
	Additions	134,778
	30 June 2016	1,067,193
Fastned Terra 2 B.V. (previously Maatschap Terra 2)		
Loans to related parties	**31 December 2015**	111,934
	Additions	16,275
	30 June 2016	128,209

> Directors’ responsibility statement

The Directors declare that, to the best of their knowledge:

- this condensed set of interim financial statements, which have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’, as issued by the International Accounting Standard Board and endorsed and adopted by the EU gives a true and fair view of the assets, liabilities, financial position and profit or loss of Fastned; and
- the interim management report gives a fair review of the information required pursuant to section 5:25d (8)/(9) of the Dutch Act on Financial Supervision (Wet op het financieel toezicht).

Fastned’s Directors are listed in the Annual Report and Accounts for 2015. There have been no changes in the Board of Fastned in the first six months of 2016.

By order of the Board

Amsterdam, 28 July 2016

Michiel Langezaal	**Bart Lubbers**
Founder & Director	Founder & Director