



BLACKSTONE RESOURCES

Batteries-Battery Sys / Switzerland

Banking big on battery technology initiatives

Pros

- Blackstone Resources is investing heavily in next-gen, i.e. solid-state battery technology and 3D-printed mass production, thereby moving up the (battery) metal value chain
- Ownership of key materials (like manganese, cobalt, lithium and nickel) is a good start to battery initiatives at the R&D stage
- Monetisation (even if partial) of owned assets should somewhat limit the dependence on external borrowings

Cons

- Battery materials and manufacturing are challenging ventures facing a host of technological and financial hurdles
- Blackstone Resources is not cash generative and faces high execution risks across its businesses; the funding bet is on German R&D subsidies

Key Figures	12/19A	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	12.8	3.60	4.70	-2.02	0.30
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-83.4	-38.9	-23.0	ns	1.02
Adjusted EPS (CHF)	0.13	0.42	0.78	-0.44	0.43
Growth in EPS (%)	n/a	225	88.4	n/a	n/a
Dividend (CHF)	0.00	0.00	0.00	0.00	0.00
Sales (CHFM)	0.00	0.01	1.59	80.5	329
EBITDA/R margin (%)	ns	ns	ns	0.25	20.7
Attributable net profit (CHFM)	5.31	17.7	15.0	-18.9	18.4
ROE (after tax) (%)	26.7	55.5	23.7	-18.3	13.8
Gearing (%)	123	53.9	9.27	-12.6	-21.8

Buy

Upside : 2,337%

Price (CHF)	0.13
Target Price (CHF)	3.17
Momentum	— —
Market Cap (CHFM)	0.00
Enterprise Value (CHFM)	0.00
High/Low (12M)	CHF 0.11/2.90
BBG : BLS SW	RIC : BLS.S
Credit Risk & outlook	↗
Fundamental Strength	0 / 10

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Conflicts of interest

Corporate broking	No
Trading in corporate shares	No
Analyst ownership	No
Advice to corporate	No
Research paid for by corporate	Yes
Corporate access	No
Brokerage activity at AlphaValue	No
Client of AlphaValue Research	No