



# BLACKSTONE RESOURCES

Batteries-Battery Sys / Switzerland

## Banking on big-bang 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

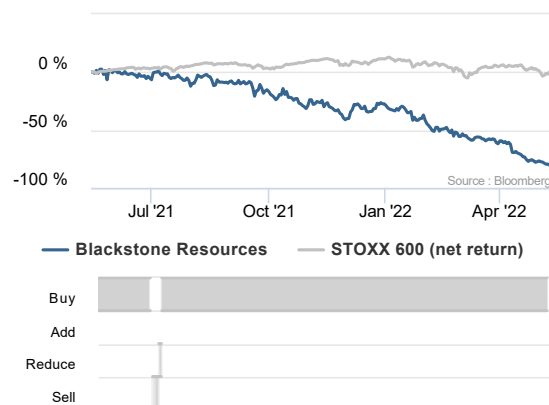
Key Figures	12/19A	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	12.8	3.60	4.57	-1.68	1.79
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-83.4	-38.9	-25.0	ns	1.68
Adjusted EPS (CHF)	0.13	0.42	0.80	-0.45	0.42
Growth in EPS (%)	n/a	225	93.6	n/a	n/a
Dividend (CHF)	0.00	0.00	0.00	0.00	0.00
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	34.3	-19.3	18.1
ROE (after tax) (%)	26.7	55.5	62.9	-22.5	15.6
Gearing (%)	123	53.9	24.0	2.60	-11.1

## Buy

Upside : 1,472%

Price (CHF)	0.76
Target Price (CHF)	11.9
Momentum	— —
Market Cap (CHFM)	32.5
Enterprise Value (CHFM)	110
High/Low (12M)	CHF 0.76/4.04
BBG : BLS SW	RIC : BLS.S
Credit Risk & outlook	C ↗
Fundamental Strength	0 /10
Sustainability score	4.2 /10

### Price relative to index & historical opinion



Performances (%)	1m	3m	12m
Absolute	-38.7%	-62.0%	-80.7%

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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