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Masan Group (MSN)

Peek at the new ownership structure

CrownX JSC formed to complete the merger between VCM & MCH

— CrownX JSC (CrownX) will be formed to take in Masan Group's (MSN) ownership stakes in Masan Consumer Holdings (MCH) and VCM Services & Trading Development JSC (VCM). CrownX will directly own a 83.74% in VCM – which in turn owns 100% stakes in Vincommerce (*Vinmart & Vinmart+*) and VinEco – and an 85.71% stake in MCH – the holding company managing all of Masan Group's consumer brands – to bring together all of Masan Group's consumer businesses under one roof. MSN will transfer its ownership stakes in MCH and VCM via stock swap for shares in the new CrownX company.

The SHERPA Ltd also created to split the ownership between Masan Group and Vingroup

— The second stage to this ownership change will also involve the creation of The SHERPA Ltd to resolve the ownership split in the new entity between Masan Group and Vingroup. Currently, Vingroup has an option to receive a stake in the new consumer entity as part of its sale in Vincommerce to Masan Group. The Chairman of the Board or Head of Strategy & Development at Masan Group will determine the ownership split between Masan Group and Vingroup according the press release. Masan Group also announced that it would invest up to VND1,000 billion in cash to create The SHERPA and CrownX entities to facilitate the new ownership structure. While this is merely a peek at the new ownership structure and further details may be needed to assess full impact of the changes, initial takeaways include: 1) the creation of CrownX should allow Masan Group to better manage all its consumer assets and brands under a single legal entity rather than split into two separate subsidiaries; and 2) consolidating the ownership for both MCH and VCM should also create an investment vehicle to attract additional investors into CrownX.

Masan Resources completes the acquisition of H.C. Starck's Tungsten business

— Masan Resources Corporation (MSR) completed the acquisition of H.C. Starck Group's (HCS) tungsten business via its wholly-owned subsidiary Masan Tungsten Co. Ltd. (MTC). This acquisition will allow MSR to expand into midstream tungsten products of metal powders and carbides and represents a strategic step to become a vertically-integrated high-tech industrial materials platform. Tungsten and carbide powders are used in a variety of industries, including the tool making, automotive, energy, aviation and chemical industries. HCS mainly serves customers in Europe, North America and China. MSR expects its primary supply of raw materials used in the manufacture of tungsten (ammonium paratungstate or APT) and HCS's scrap recycling capacity will enhance the combined company's competitiveness in the international tungsten market.

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Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Hold:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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