



UNIVERSITI TEKNOLOGI MARA

**PERFORMANCE OF PROPERTY COMPANIES
LISTED IN BURSA MALAYSIA**

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ABSTRACT

Many real estate firms make significant investments in properties used for operational and investment purposes in today's business environment. Despite a difficult economic period, Malaysia's real estate sector has grown to become one of the largest in the world and has continued to grow and develop over the last two decades. This study aims to see the relationship between factors (liquidity, sales growth, and efficiency) and the performance of property companies listed in Bursa Malaysia. This study based on ten companies selected from Bursa Malaysia in the property sector from 2015 to 2019. A multiple regression model will be used in this analysis to find out the relationship between each factor (liquidity, sales growth, and efficiency) and the dependent variable, which is the performance of property companies as determined by the return on asset ratio. The expected finding for this research is the independent variable: liquidity, efficiency, and sales growth have a relationship with property company performance as measured by return on asset (ROA). The finding outlines some of the critical factors that contribute to the expansion of real estate firms.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter had covered the concepts and provide a clear understanding of how the study will be carried out. The study also discussed the study's aim: to determine the significant determinants of return on assets as a measure of profitability in property companies using empirical financial data from Malaysian property companies listed on the Bursa Malaysia. Thus, this study aims to identify the relationship between performance and liquidity, sales growth and efficiency of property companies in Malaysia.

Real estate companies, like other businesses around the world, are not immune to this trend. They, too, are concerned with increasing shareholder wealth. In today's business environment, many real estate firms are investing heavily in properties that are used for both operational and investment purposes. In some cases, real estate has become a corporation's "most valuable asset." In Malaysia, the real estate sector has grown to be one of the largest, and it has continued to grow and develop over the last two decades, even during difficult economic times. (Yahaya & Mahmood, 2011).

However, few studies, if any, have ever evaluated the financial performance of this industry. Some research looked into the property industry's investment decisions by examining the associated financial ratios, this research on the performance of property companies listed on Bursa Malaysia.

The dynamics of ROA are expected to rise every periodically because it demonstrates their effectiveness in managing the business, which can be accomplished if management is aware of the issues that affect the dynamics. As a result, research into the factors influencing ROA is necessary (Surjandari & Minanari, 2019). Thus, the purpose of this research is to determine the relationship between property companies' performance and liquidity, sales growth, and efficiency in Malaysia.