



UNIVERSITI TEKNOLOGI MARA

**THE FACTORS AFFECTING
FINANCIAL PERFORMANCE OF
FOOD AND BEVERAGE COMPANY
LISTED ON BURSA MALAYSIA**

NURSHAHIRA BINTI MASKAM

**Bachelor of Business Administration
(Hons) (Finance)**


July 2017

AUTHORS DECLARATION

I declare that the work in this project paper was carried out in accordance with the regulations of Universiti Teknologi Mara. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualifications.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for University Teknologi MARA, regulating the conduct of my study and research.

Name of student : Nurshahira binti Maskam
Student I.D. No : 2014667098
Programme : BBA (Hons) (Finance)
Faculty : Business and Management
Project paper title : The Factors Affecting Financial Performance of Food and Beverage Company Listed on Bursa Malaysia

Signature of student : 

Date : June 2017

ABSTRACT

Evaluations of financial performance attract a lot of attention by internal or external users. At this point in time, financial performance becomes important aspect in order to achieve the specific target. Concerning the matter of factors affecting financial performance, the study had been conducted with the purpose to determine the factor affecting the financial performance of the food and beverage company listed on Bursa Malaysia between the years from 2012 to 2016. For analyse a research problem, the dependent and independent variable were chooses from the financial ratio that will focus on the area of liquidity, assets utilization and leverage for the independent variable while probability area for the dependent variable. The study covers 10 company of food and beverage sector listed on Bursa Malaysia as a sample. This study was using panel least square model in order to run multiple regressions analysis for discover the effect of financial indicators on the firm's performance. The result found that current ratio, cash ratio and long-term debt to equity ratio have significant effect the firm's performance. Meanwhile, total assets turnover, inventory turnover and debt to equity ratio have shown insignificantly affecting the firm's performance.

TABLE OF CONTENT

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATION / NOMENCLATURE	x
CHAPTER 1.....	1
1.1. BACKGROUND OF STUDY	1
1.2. PROBLEM STATEMENT	3
1.3. RESEARCH QUESTION	4
1.4. RESEARCH OBJECTIVE.....	4
1.5. SIGNIFICANCE OF STUDY.....	5
1.5.1. Researcher	5
1.5.2. Firm Manager.....	5
1.5.3. Investor.....	5
1.5.4. Future researcher	5
1.6. SCOPE OF STUDY	6

LIST OF TABLES

Tables	title	page
Table 1	Descriptive statistics results for all variables (2012-2016)	28
Table 2	The correlation between all variables in study	31
Table 3	The results of the panel least squares analysis about factors affecting financial performance	32-33