



UNIVERSITI TEKNOLOGI MARA

**THE DETERMINANTS OF CAPITAL
STRUCTURE OF ELECTRICAL AND
ELECTRONICS COMPANIES IN MALAYSIA**

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AUTHOR'S DECLARATION

I declare that the work in this final year 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 qualification.

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


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ABSTRACT

Capital structure can be defined as a particular combination of equity and debt to finance their company's overall operations and growth. It is very important because the decision will impact the economic growth. This research objective is to analyse the capital structure of Electrical and Electronics companies in Malaysia. The factors affecting the level of debt which is capital structure are profitability, tangibility and liquidity. The collection of data for this research study has come from secondary data that was collected from the Statements of Profit or Loss and other Comprehensive Income and Statements of Financial Position which started from the year 2010 until year 2019 that consists of 11 companies. This study has used panel data. Pecking Order Theory and Trade-off Theory were the theories that have guided this research study. This study found that profitability and liquidity were a significant relationship with the capital structure however, the tangibility was found to be insignificant.

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