

Evaluation of the Profitability of Construction Firms Listed on the Hanoi Stock Exchange

Nguyen Hoai Anh¹, Do Thi Van Dung² and Nguyen Dieu Linh³

¹The faculty of Accounting, University of Labor and Social Affairs, Vietnam.

²Hanoi Metropolitan University, Vietnam.

³The faculty of Accounting and Auditing, Banking Academy, Vietnam.

E-mail: anbnb.uls@gmail.com

Received: 30 August 2021; Revised: 6 September 2021; Accepted 14 September 2021; Publication: 28 October 2021

Abstract: The main purpose of this study is to empirically test the profitability of construction firms Listed in the Hanoi Stock Exchange (HNX). The authors collected secondary data from previous studies, construction firms Listed in the HNX for the period of 2015-2019. For this purpose, in this study we use variables of return on assets ratio (ROA), return on equity ratio (ROE), return on sales ratio (ROS), Earning per Share ratio (EPS) and Basic Earning Power Ratio (BEP) to measure the profitability of construction firms. The results of the research show that the profitability of construction firms has many limitations. Therefore, managers may enhance the profitability of their firms by specific measures, such as (i) increase sales, (ii) cut the cost. So, the results indicate that through increased sales and cut the cost can increase its profitability. This study will benefit the construction firms Listed in HNX in the improvement of their profitability.

Keywords: Profitability, construction firms, financial ratios

JEL codes: M40, F65, G30

To cite this paper : Nguyen Hoai Anh, Do Thi Van Dung & Nguyen Dieu Linh (2021). Evaluation of the Profitability of Construction Firms Listed on the Hanoi Stock Exchange, *Asian Journal of Economic and Finance* 3(3): 373-383.

1. Introduction

Profitability is the probability of a given profitable investment (Harward & Upto, 1961). Profitability shows the efficiency of managing the available resources in the market to make a profit.

Profits played a huge role in the survival of an enterprise in a competitive environment. Achieving profitability, or so called profit, was the primary goal of all enterprises. Measuring past and present profitability was very important. At the same time, predicting the profitability in the future was also essential to the survival of enterprises (Shosha, 2014).

Profitability was of great significance not only for enterprises but also for the economy. Profitability was associated with firm performance, indicating the development direction of enterprises, profitability was also the basis for enterprises to make business decisions. Profitability was the ability to make a profit and was an important factor contributing to the survival of an enterprise (Velmathi, 2015). Enterprises are one of the most important sectors of the

economy. The profitability of them is the driving force and economic leverage of the society. Therefore, enterprises which operate efficiently, ensure financial stability and always grow with high profitability will be one of the factors promoting a “healthy” financial sector, contributing to stabilizing the money market, curbing inflation and increasing economic growth.

The period from 2010 to now has seen many changes in Vietnam’s economy. The frequent volatility of exchange rates and inflation is common problems of enterprises. Especially for the Construction industry, the “frozen” situation of the real estate market in recent years has brought many stagnation to the operation of enterprises. However, over the past years, the construction industry has made effort to affirm its leading position, being one of the spearhead economic sectors of the country’s industrialization and modernization. Construction is one of the industries with great potential to have high growth in the future due to the increasingly diversified demand for housing and infrastructure of the people and the real market for housing, buildings and facilities. Infrastructure is also increasingly diverse. However, in terms of international integration, competition in the industry will be increasingly fierce. Each industry has its own characteristics, unique capital structure, and in order to survive, businesses in the industry must be able to generate profits. In addition, with the characteristics of an essential industry and a deep relationship with other industries, the problem of increasing profitability is a difficulty for managers and receives many demands and great interest of the shareholders.

2. Literature Review

Profitability is one of the indispensable criteria for operating enterprises, the profitability of enterprises has been concerned by many researchers around the world and in the country, typically:

Abbasali & Esfandiar (2012), Dam (2015) selected the rate of return on assets (ROA) and return on equity (ROE) as two indicators assessing the profitability of the enterprise. Agha (2014), Iqbal and Zhuquan (2015) believed that ROA reflected the profitability of enterprises. The profitability of enterprises was measured by Nguyen et al (2016) by ROE.

Luu & Vu (2011) affirmed that the indicators to evaluate the profitability of enterprises included: (i) Basic Earning Power Ratio (BEP) is also known as the rate earnings before interest and taxes - EBIT. This entry reflects the profitability of assets or business capital regardless of the impact of corporate income tax and business origin; (ii) ROA; (iii) ROE; (iv) ROS and (v) Earnings per share (EPS): reflects how much profit after tax per ordinary share (or ordinary share) is earned during the year.

Inheriting results from previous studies, this study evaluates and measures profitability of construction firms listed in HNX with 5 indicators as follows: ROA, ROE, ROS, EPS, BEP.

Code	Scale	Sources
PA1	ROA (Return on assets)	Vu (2011), Agha (2014), Iqbal & Zhuquan (2015), Abbasali & Esfandiar (2012), Dam (2015)
PA2	ROE (Return on equity)	Vu (2011), Abbasali & Esfandiar (2012), Dam (2015), Nguyen <i>et al.</i> (2016)
PA3	ROS (Return on sales)	Vu (2011)
PA4	EPS (Earning Per Share)	Vu (2011)
PA5	BEP (Basic Earning Power Ratio)	Vu (2011)

3. Methodology

This study uses both research methods, including: qualitative research methods and quantitative research methods.

Qualitative research methods: We used techniques of synthesis, analysis, comparison to evaluate the profitability of construction firms listed in HNX. In addition to collecting previous studies, we interviewed experts who are leading lecturers in finance and accounting; financial directors in construction enterprises. Qualitative research methods orientated and refined the research results of previous studies; from there, this study inherited and applied.

Quantitative research methods are based on table data, data are aggregated over 5 years, from 2015 to 2019. Rely on reputable websites, such as <http://cafef.vn>; <https://financevietstock.vn>, etc. We collected data on indicators that reflected the profitability of enterprises, such as: ROA, ROE, ROS, EPS and BPE.

The sample of this study is 14 construction firms listed on the HNX (<https://cophieu68.vn>), with 5 indicators reflecting profitability in 5 years; we collected 350 observations. Then we evaluate and analyze.

4. Research Results

The profitability of construction firms listed in the HNX is shown by 5 indicators ROA, ROE, ROS, EPS and BEP.

Table 1 shows the profitability when considering each construction enterprise in each year, besides the enterprises with good profitability, there are still certain limited profitability enterprises; there are enterprises that are not profitable, with negative profits (see table 1).

Table 1: The profitability of construction firms listed on the HNX during the period 2015-2019

Stock code	Year	ROA (%)	ROE (%)	ROS (%)	EPS (thousand VND)	BEP (%)
C92	2015	2.20	10.29	1.89	1.20	3.92
C92	2016	0.65	3.40	0.58	0.40	3.40
C92	2017	0.12	0.58	0.19	0.07	3.37
C92	2018	0.11	0.52	0.21	0.06	3.05
C92	2019	(1.60)	(8.31)	(5.94)	(0.96)	1.20
CTX	2015	0,84	3.34	5.48	0.69	1.64

contd. table 1

Stock code	Year	ROA (%)	ROE (%)	ROS (%)	EPS (thousand VND)	BEP (%)
CTX	2016	0.27	1.07	2.39	0.23	1.25
CTX	2017	9.49	34.04	40.45	8.78	12.83
CTX	2018	0.30	1.02	5.27	0.31	0.81
CTX	2019	7.62	22.23	18.40	4.84	11.71
ICG	2015	4.74	6.78	13.54	0.90	5.52
ICG	2016	1.67	2.18	28.60	0.30	1.77
ICG	2017	0.10	0.18	3.28	0.03	0.47
ICG	2018	9.15	15.43	11.70	2.37	13.84
ICG	2019	3.28	4.08	10.46	0.72	4.77
KDM	2015	6.76	10.20	4.13	5.40	5.73
KDM	2016	0.77	1.03	1.01	0.11	3.00
KDM	2017	1.05	1.19	2.21	0.13	2.04
KDM	2018	1.25	1.41	7.31	0.15	2.01
KDM	2019	2.07	2.54	3.95	0.28	2.11
MST	2015	5.77	7.16	3.92	0.38	4.26
MST	2016	3.66	4.17	5.40	0.45	5.45
MST	2017	3.62	4.09	8.84	0.46	4.29
MST	2018	2.82	3.58	6.10	0.42	3.34
MST	2019	2.35	3.68	15.33	0.41	1.51
SDU	2015	0.10	0.32	1.43	0.05	1.04
SDU	2016	0.43	1.30	0.82	0.22	1.27
SDU	2017	0.20	0.55	4.99	0.09	1.06
SDU	2018	0.53	1.62	23.38	0.28	1.55
SDU	2019	0.06	0.18	0.69	0.03	1.14
TKC	2015	1.96	6.33	1.86	0.83	4.29
TKC	2016	2.94	12.68	2.04	1.63	4.68
TKC	2017	3.13	18.30	1.97	2.58	4.73
TKC	2018	1.24	7.39	0.98	1.14	3.89
TKC	2019	0.11	0.50	0.14	0.08	3.16
VC1	2015	1.98	4.95	3.25	1.66	2.65
VC1	2016	1.86	5.37	2.31	1.79	2.40
VC1	2017	1.88	6.34	2.44	1.88	4.08
VC1	2018	1.86	6.60	3.15	1.32	3.50
VC1	2019	0.59	2.36	0.84	0.46	1.93
VC2	2015	0.93	5.38	2.20	1.24	2.19
VC2	2016	0.78	5.73	1.62	1.21	1.78
VC2	2017	1.26	10.26	1.46	2.00	3.83
VC2	2018	1.01	7.53	1.72	1.53	3.29
VC2	2019	1.12	7.66	1.87	1.59	3.76
VC3	2015	3.40	18.89	9.01	4.74	4.47
VC3	2016	6.30	27.77	13.52	3.58	8.29
VC3	2017	4.48	13.76	8.02	1.64	7.87
VC3	2018	2.59	5.89	7.55	0.74	3.92
VC3	2019	5.38	12.29	15.49	1.76	6.80
VC7	2015	1.60	6.23	1.89	0.95	5.35
VC7	2016	3.07	13.16	5.68	2.09	5.93
VC7	2017	4.29	14.47	9.69	1.81	6.46
VC7	2018	4.94	10.26	15.63	1.82	5.58

contd. table 1

Stock code	Year	ROA (%)	ROE (%)	ROS (%)	EPS (thousand VND)	BEP (%)
VC7	2019	2.64	4.81	9.48	0.54	4.89
VC9	2015	0.77	5.91	1.49	0.96	2.71
VC9	2016	1.26	8.88	2.02	1.47	2.86
VC9	2017	0.82	6.55	1.19	1.08	2.50
VC9	2018	0.50	4.35	0.59	0.70	2.59
VC9	2019	0.06	0.51	0.08	0.08	2.38
VCG	2015	1.79	5.95	6.52	0.88	4.54
VCG	2016	2.22	6.54	8.05	1.10	4.76
VCG	2017	6.04	17.52	14.95	3.04	10.34
VCG	2018	2.36	6.21	6.57	1.12	5.32
VCG	2019	3.47	8.69	8.28	1.55	6.38
VE9	2015	0.48	1.51	2.86	0.20	3.58
VE9	2016	0.40	0.64	0.87	0.07	2.58
VE9	2017	35.69	57.83	101.52	6.04	48.20
VE9	2018	0.04	0.06	0.12	0.01	0.51
VE9	2019	(44.85)	(62.15)	(226.83)	(4.95)	(57.66)

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

ROA

ROA is synthesized and analyzed in detail in Table 2 and Table 3 as follows:

Table 2: Average ROA over the years of construction firms listed on the HNX

Description	2015	2016	2017	2018	2019	Average 2015-2019
ROA (%)	2.38	1.88	5.16	2.05	-1.26	2.04

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 3: Average ROA over the years (2015-2019) of each construction enterprise listed on the HNX

No	ROA<0		0<ROA<7.5%		7.5%<ROA<10%		ROA>10%	
	Stock code	ROA	Stock code	ROA	Stock code	ROA	Stock code	ROA
1	VE9	-1.65	SDU	0.26				
2			C92	0.30				
3			VC9	0.68				
4			VC2	1.02				
5			VC1	1.63				
6			TKC	1.88				
7			KDM	2.38				
8			VCG	3.18				
9			VC7	3.31				
10			MST	3.64				
11			CTX	3.70				
12			ICG	3.79				
13			VC3	4.43				

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 2 shows that: The average ROA of the construction industry over the years has significant fluctuations, the trend of increase then decreases deeply. Specifically: in 2015, ROA reached 2.38%, but in 2016, ROA decreased to 1.88%, and increased again in 2017 with 5.16%, down to 2.05% in 2018 and sharply decreased in 2019 with -1.26%.

In the period 2015-2019, the industry average had an ROA of 2.04%. This means that 100 dong of assets creates 2.04 dong of profit after tax. Thus, in terms of the whole industry, the ROA of construction firms is over 1.5%. This number is relatively low.

Financial experts say that the enterprise is assessed as having sufficient financial capacity when its ROA is greater than 7.5% for at least 3 consecutive years; Enterprises that maintain $ROA \geq 10\%$ / year for 3 consecutive years will be good ones with stable finance; are highly appreciated by professionals and investors. Table 3 shows that, 14 construction firms listed in the HNX; no enterprise is assessed to have sufficient financial capacity; an enterprise with $ROA < 0$; 13 enterprises have $ROA < 7.5\%$. The enterprise with stock code VC3 with the highest ROA also only achieved 4.43%.

ROE

ROE is synthesized and analyzed in detail in Table 4 and Table 5 as follows:

Table 4: Average ROE over the years of construction firms listed on the HNX

Description	2015	2016	2017	2018	2019	Average 2015-2019
ROE (%)	6.66	6.71	13.26	5.13	-0.07	6.34

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 5: Average ROE over the years (2015-2019) of each construction enterprise listed on the HNX

No	ROE < 0		0 < ROE < 15%		15% < ROE < 20%		ROE > 20%	
	Stock code	ROE	Stock code	ROE	Stock code	ROE	Stock code	ROE
1	VE9	-0.42	SDU	0.79	VC3	15.72		
2			C92	1.30				
3			KDM	3.27				
4			MST	4.54				
5			VC1	5.12				
6			VC9	5.24				
7			ICG	5.73				
8			VC2	7.31				
9			VCG	8.98				
10			TKC	9.04				
11			VC7	9.79				
12			CTX	12.34				

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 4 shows that: The average ROE of the construction industry over the years also has a clear fluctuation, the uptrend then decreases deeply. Specifically: in 2015, ROE reached 6.66%, in 2016, ROE increased slightly to 6.71%, and continued to increase in 2017 with 13.26%, decreased to 5.31% in 2018 and decreased sharply in 2019 with -0.07%.

In the period 2015-2019, the industry average had an ROE of 6.34%. This indicates that 100 dong of equity creates 6.34 dong of profit after tax. Thus, in terms of the whole industry, the ROE of construction enterprises is all over 5%. This number is relatively low.

Financial experts say that, the enterprise has sufficient financial capacity according to international standards, the ROE must be at least 15% for 3 consecutive years, $ROE \geq 20\%$ and last for at least 3 years then the enterprise has the position in the marketplace. Table 5 shows that, 14 construction firms listed in the HNX; 13 enterprises are assessed as having insufficient financial capacity; an enterprise with an $ROE < 0$; 12 enterprises have $ROE < 15\%$. The enterprise with stock code VC3 with the highest ROE achieved 15.72%.

ROS

ROS is synthesized and analyzed in detail in Table 6 and Table 7 as follows:

Table 6: Average ROS over the years of construction firms listed on the HNX

Description	2015	2016	2017	2018	2019	Average 2015-2019
ROS (%)	4.25	5.35	14.37	6.45	-10.55	3.97

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 7: Average ROS over the years (2015-2019) of each construction enterprise listed on the HNX

No	ROS < 0		0 < ROS < 10%		10% < ROS < 15%		ROS > 15%	
	Stock code	ROS	Stock code	ROS	Stock code	ROS	Stock code	ROS
1	VE9	-24.29	VC9	1.07	VC3	10.72		
2	C92	-0.61	TKC	1.4	ICG	13.52		
3			VC2	1.77	CTX	14.40		
4			VC1	2.4				
5			KDM	3.72				
6			SDU	6.26				
7			MST	7.92				
8			VC7	8.47				
9			VCG	8.87				

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 6 shows that: The average ROS of the construction industry over the years also has a clear fluctuation, increasing trend then decreases deeply. Specifically: in 2015, ROS reached 4.25%, in 2016, ROS increased slightly to

5.35%, and continued to increase in 2017 with 14.37%, decreased to 6.45% in 2018 and sharply decreased in 2019 with -10.55%.

In the period 2015-2019, the industry average had ROS reached 3.97%. This means that 100 dong of net revenue generates 3.97 dong of profit after tax. Thus, if considered in the whole industry, the ROS of construction enterprises is over 3.5%. This number is relatively low.

Financial experts say, the enterprise with ROS > 10% continuously for 3-5 years is strong, with positive business results. Table 7 shows that, 14 construction firms listed in the HNX; 3 enterprises are assessed to have positive business results; 2 enterprises have ROS < 0; 9 enterprises have ROS < 10%.

EPS

EPS is an important financial indicator for stock investment. EPS reflects the profit after tax of a share (EPS = Profit after tax / Total number of shares outstanding).

EPS is the shortest version of profit after tax.

Basic EPS: $EPS = (\text{Net income} - \text{preferred dividends}) / \text{number of shares outstanding}$

Diluted EPS is the EPS issued by the enterprise that has issued convertible bonds, preference shares, right to buy shares, ESOP, issued to strategic shareholders, etc. The shares should be diluted. Diluted EPS will be more accurate, as it reflects future events. Experts say that, with a good business rating, the EPS > 1,500 VND and maintaining for many years, tends to increase. Enterprise is stable when EPS is higher than 1,000 VND.

EPS is synthesized and analyzed in detail in Table 8 and Table 9 as follows:

Table 8: Average EPS over the years of construction firms listed on the HNX

Description	2015	2016	2017	2018	2019	Average 2015-2019
EPS (thousand VND)	1.09	1.05	2.12	0.85	0.46	1.11

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 9: Average ROE over the years (2015-2019) of each construction enterprise listed on the HNX (unit: thousand VND)

No	EPS < 0		0 < EPS < 1.0		1.0 < EPS < 1.5		EPS > 1.5	
	Stock code	EPS	Stock code	EPS	Stock code	EPS	Stock code	EPS
1			SDU	0.14	TKC	1.25	VC2	1.51
2			C92	0.15	VC1	1.42	VCG	1.54
3			KDM	0.24	CV7	1.44	VC3	2.49
4			VE9	0.27			CTX	2.97
5			MST	0.42				
6			ICG	0.86				
7			VC9	0.86				

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 8 shows that the average EPS of the construction industry over the years has also had significant fluctuations, increasing trend then decreases gradually. Specifically: in 2015, EPS reached 1.09 thousand VND, in 2016, EPS decreased slightly to 1.05 thousand VND, and continued to increase in 2017 with 2.12 thousand VND, decreased to 0.85 thousand VND in 2018 and sharply decreased in 2019 with 0.46 thousand dong.

In the period 2015-2019, the industry average had an EPS of 1.11 thousand dong. This means that earnings per share was 1.03 thousand dong. Thus, if considered in the whole industry, the EPS of construction firms is over 1.0 thousand dong, reflected when investing in stocks in potential construction enterprises.

The results from **Table 9** show that among 14 construction firms listed in the HNX; 3 firms are evaluated to have good business results when EPS is > 1.5 thousand dong; 4 firms with 1.0 < EPS < 1.5 have relatively stable business results; 7 firms with EPS < 10%.

The enterprise with the stock code CXT has an earning per share of VND 2,510 (EPS = VND 2.51 thousand dong).

BEP

BEP = EBIT / Total assets; this ratio reflects the firm’s ability to seek a net profit before tax, its financial leverage. This indicator is effective when comparing multiple firms but different in tax and financial leverage.

Table 10: Average BEP over the years of construction firms listed on the HNX

Description	2015	2016	2017	2018	2019	Average 2015-2019
BEP%	3.71	3.53	8.00	3.8	-0.42	3.72

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

Table 11: Average BEP over the years (2015-2019) of each construction enterprise listed on the HNX

No	BEP < 0%		0% < BEP < 10%		10% < BEP < 20%		BEP > 20%	
	Stock code	BEP	Stock code	BEP	Stock code	BEP	Stock code	BEP
1	VE9	-0.56	SDU	1.21				
2			VC9	2.61				
3			VC1	2.91				
4			VC2	2.97				
5			KDM	2.98				
6			C92	2.99				
7			MST	3.77				
8			TKC	4.15				
9			ICG	5.27				
10			VC7	5.64				
11			CTX	5.65				
12			VC3	6.27				
13			VCG	6.27				

Sources: <https://finance.vietstock.vn/>; <http://cafef.vn> and authors synthesized

This index is very meaningful in comparing the performance of enterprises with the general ground of the industry. Enterprises have higher basic profit margins than the industry and good profit margins. The higher the BEP, the better, the business performance of the business.

Experts say that, when evaluating BEP, it is necessary to compare with bank loan interest rates. Currently, banks lend businesses with interest rates from 7% to 12% / year, so the BEP of 14 construction companies listed on the HNX is lower than the interest rate for bank loans.

5. Discussion and implications

From the results and analysis in Section 4, it proves that when investors invest in this industry, they have small profit opportunities. Compared with other sectors in the stock market, the ROA, ROE, ROS, EPS, and BEP of this industry are quite low. This shows that the stocks of the industry have not yet had profitable potential for shareholders and investors. This also shows that construction enterprises have low profitability.

Enterprises with ROA <7.5% or ROE <15% or ROS <10% or EPS <1.0 thousand VND need to have many measures to enhance their business results.

The main business lines of construction firms listed in HNX are construction, investment, and operation of hydroelectric plants, urban and housing development, construction materials production and some other businesses. Most construction firms always maintain a portfolio of firms spreading their membership. Based on important financial indicators such as: equity, assets, profit before tax, profit after tax, ROE, ROE, EPS, BEP, etc, it can be affirmed that the financial capacity of construction firms listed in the HNX still has limitations, high financial risks and low firm performance compared to other firms in the same industry.

Through calculations to bring out the most optimal profitability, managers can check and evaluate the effectiveness of firm performance; thereby giving appropriate adjustment solutions to reduce costs, optimize profits to improve profitability of firms, form strategies and policies to ensure stability and sustainability in operations of enterprises, avoiding the risk of falling into the situation of poor business, dissolution or shutdown like many firms in the past few years.

One of the solutions to improve the profitability of firms is (i) increasing revenue and (ii) reducing costs:

Increasing revenue is a vital task for firms in the increasingly competitive context of the industry with increasing product diversity and product quality. Therefore, construction enterprises must improve product quality by enhancing the role of quality system management and process monitoring at the enterprise quality management department to ensure quality of the product. Setting up the mechanism of self-inspection - monitoring of parts is to ensure that each department or project must have enough data, records

analyzed by statistics to serve the management, operation and improvement continuously. In addition, enterprises need to promote marketing and sales and have a suitable sales system development strategy.

Cost reduction is one of the effective measures to improve the profitability of firms. Construction enterprises need to have specific measures such as reducing the management apparatus, which can be reduced by the same person concurrently and still achieving efficiency; enterprises need to restructure the organization of personnel, especially considering the income of sales staff and managers to promote increased labor productivity. Because increasing labor productivity with a streamlined personnel apparatus and a reasonable salary and bonus structure will boost the profitability of the enterprise. Besides, enterprises also need to have a plan for economical and rational use of their invested assets for sales and management. In addition, enterprises need to renovate production equipment and production lines at the same time with training for human resources to be able to control the innovative equipment so that they can use innovative assets to improve the profitability of enterprises.

References

- Abbasali, P., & Esfandiar, M. (2012). The Relationship between Capital Structure and Firm Performance Evaluation Measures: Evidence from the Tehran Stock Exchange. *International Journal of Business and Commerce*, 1(9), 166-181.
- Agha, H. (2014). Impact of working capital management on profitability. *European Scientific Journal (ESJ)*, 10(1), 374-341. <https://doi.org/10.19044/esj.2014.v10n1p%25p>.
- Dam, T. T. (2015). Applying econometric model to analyze the factors affecting profitability of firms listed in Vietnam's stock market. *Journal of Finance and Accounting*, 11(148), 38-41 [Vietnamese].
- Harward, M. & Upto, K. (1961). Introduction to Business Finance. New York: McGraw Hill.
- Iqbal, A., & Zhuquan, W. (2015). Working Capital Management and Profitability Evidence from Firms Listed on Karachi Stock Exchange. *International Journal of Business and Management*, 10(2), 231-235. DOI:10.5539/ijbm.v10n2p231.
- Luu, T. H., & Vu, D. H. (2011). Enterprise finance textbook. National Economics University Publishing House [Vietnamese].
- Nguyen, T. P. H., Nguyen, T. T., & Nguyen, T. N. H. (2016). Applying econometric model to evaluate the impact of factors on profitability of textile enterprises of Vietnam Textile and Garment Group. Science research topic, National Economics University [Vietnamese].
- Shosha, B. (2014). Profitability of Small and Medium Enterprise in Albania (Focusing in the City of Tirana). *Journal of Educational and Social Research*, 4(6), 546-554. Retrieved from <https://www.richtmann.org/journal/index.php/jesr/article/view/4483>.
- Velmathi, N. (2015). A study on Profitability Analysis of Britannia Industries Ltd. *IJEMR*, 5(1), 1-9.
- Websites: <https://cafef.vn>; <https://cophieu68.vn>; <https://finance.vietstock.vn/>; <https://vietstock.vn> [Vietnamese].