

THE SOCIALIST REPUBLIC OF VIETNAM

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Hanoi, December 28th, 2020

**EXECUTIVE SUMMARY
ON NEW CONTRIBUTIONS OF THE THESIS**

1. The thesis: “The capital structure of oil and gas trading enterprises in Vietnam”.

2. Major: Banking - Finance

Code: 9.34.02.01

3. PhD candidate: Nguyen Tien Duc

4. Scientific instructors: - Assoc. Prof. Dr. Doan Huong Quynh
- Dr. Nguyen Van Binh

5. New contributions of the thesis are as follows

5.1. From theoretical perspective

- By dint of studying both domestic and foreign relevant literature, the thesis has considers the issues relating the capital structure of enterprises, thereby identifying research gaps and raises key concerns to be addressed.

- The thesis systematizes and clarifies the foundation theories of the capital structure, which includes definitions, the indicator system, factors affecting capital structure as well as the impact of capital structure on corporate performance.

- The thesis has synthesized the experiences of oil and gas commercial enterprises in India and the Philippines in planning capital structure, thereby drawing reference lessons for corporates in Vietnam.

5.2. From practical perspective

- Based on secondary data sources of 31 petroleum trading enterprises listed on the Vietnamese stock market, the thesis analyzed outstanding problems in capital structure of Vietnamese oil and gas trading enterprises in the period 2014 - 2019. Specifically, the thesis considers different perspectives of capital structure including: (i) capital ownership relationship, (ii) time of capital mobilization and use, (iii) the scope of capital mobilization.

- The thesis has applied a quantitative model to measure the effects of determinants on capital structure and the impact of capital structure on business activities. The results

show that the use of debt of oil and gas commercial enterprises is influenced by solvency ratio, capital ownership relationship, growth opportunities, profitability, asset structure, company size and business risks. In terms of the impact of capital structure on performance of enterprises, debt ratio and short-term debt ratio has the opposite relationship while the long-term debt ratio has a positive relationship with the return on equity(ROE); The level of debt also has a positive relationship with the average cost of capital. Based on the analytical results, the thesis draws a number of assessments on the achievements as well as points out the shortcomings in the capital structure of oil and gas trading enterprises followed by the causes of the disadvantages above.

- The thesis proposes a number of solutions to improve the capital structure of oil and gas commercial enterprises in Vietnam by analysing the cost of capital to determine the target debt ratio of each enterprises. The thesis also gives several recommendations to the Government to improve the macro business environment, thereby supporting the development of businesses in general and petroleum commercial enterprises in particular.

THE SCIENTIFIC INSTRUCTORS

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