

EXPERTISE FOR THE DISSERTATION THESIS

STUDENT : Do Thi Thanh Nhan

Title of the dissertation thesis :

„Cash holding, Corporate governance mechanisms and Firm value in transition economies: A study of listed corporations in Vietnam „

Objective of the selected topic of the dissertation thesis:

The relationship between corporate governance mechanisms and cash holding are unexplored in Vietnamese listed firms.

Therefore the aim of the research is *to find out the impact of corporate governance mechanisms on the corporate cash holding level in order to improve the firm value in the Vietnamese context.*

Corporate cash holdings improves the firm value that is basic information for Stock exchange.

The fulfillment of the aim:

The fulfillment of this aim we consider as outstanding contribution in the theory as well as in the application on the entrepreneurial world.

The problem solving required the abundance world literature connected with this problem. No less important was the application on the Vietnamese economy.

Methodology :

Doctorand proportionally divided his scientific work on theoretical and application part.

After reforming the Vietnamese economy autor took in account the new situation, that some state-owned corporations has been privatized.

The correlation analysis explores the connection between main variables and cash holding level, and firm value.

Question No 1: As it was mentioned on the page 48, there are two resources of data: From Hochiminh Stock Exchange and from Hanoi Stock Exchange. Moreover there is over counter market (OTC) , which is controled by

government. Which of these resources you had to use for the quantification econometric models. Can it be relied on ?

Particularly significant for this work was use questionnaire method.

QUESTION No 2 :

As can be seen from the table 5.4, the average cash holding is 9.4% out of total asset which is higher than some markets as consequence of the financial crisis.

Is it the same nowadays ?

Scientific contribution and originality of the dissertation thesis :

This dissertation examines whether the right level of cash stockpiling can help corporations to take advantage of having a quicker capital turnover and improve the firm value.

Hypothesis :

Doctorand formulated all question adequate to analytical needs of this work.

According to doctorand's statement, it is expected that there is a U-shaped relationship between corporate cash holding level and firm value. It means that there exists the right level of cash holding increases the value of the firm. In other words, the corporate cash holding level is one of important factor which impacts the firm value

Quest. No 3 :

Is it possible to find the bottom of this U-shape curve ?

The dissertation is forecasted that there is the negative relationship between corporate cash holding and state ownership.

The study enriches the literature in exploring the relationship between the corporate governance mechanisms and the corporate cash holding in the Vietnamese context which can represent one of the cases of the transition economy.

Practical usefulness of the dissertation thesis :

Dissertation work can help to the managers or the BOD in making financial decisions. This explains more the role of political connection in the Vietnamese context and Vietnamese firms are still high percentage owned by the State.

Moreover, the dissertation is complementary to the corporate governance mechanism issue in the transition economy.

In detail, the firms listed on the stock exchange with stricter listing requirements do not keep the high level of cash reserve because they can raise capital from the investors with cheaper cost.

Used literature is representative and can be a good guidance for all persons interested in this topic.

Formal aspect of thesis satisfy the requirements of dissertation work.

The language employed is adequate and economic terminology are correctly used.

Enclosed schedule of literature reflects doctorand's orientation and meets requirements for defence.

On the ground of my expertise I declare that this doctorand's work meet a prescribed requirements and I recommend it for defence.

Zlín 16th May 2018



Prof. Ing. Pavel Ondrčka, CSc

