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TOPIC TITLE: EFFECTS OF INITIAL PUBLIC OFFERING ON THE VALUE OF A COMPANY: A CASE OF TANZANIA BREWERIES COMPANY LIMITED

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ABSTRACT:

This study intends to analyze the impact of an initial public offering on a firm's valuation, as the company successfully went public in 1998 through an initial public offering on the DSE. Specifically investigating the impact of stock price on the value of Tanzania Breweries Limited, the impact of asset valuation on the value of Tanzania Breweries Limited, and the impact of intangible assets on the value of Tanzania Breweries Limited. This thesis employed a time series research design that included time series analysis (TSA). The study employed quantitative time series data gathered from UNCTAD and TBL's own data base over a ten-year period (2010 to 2020). After confirming the existence of long-term associations between variables in our model, the study model was submitted to ordinary least square (OLS) errors and t-values using the vector error correlation model. As a result of the p-value analysis, asset valuation (ASSV) has a positive but small impact on the company value. While the short and long-term coefficients tests between intangible assets (INTA) and stock price (STKP) had a negative and minor impact on Tanzania breweries firm value (TBL) at 5% of critical value. According to the study's conclusions, organizations should focus on developing a good reputation and goodwill as one of the intangible assets that attract investors and shareholders. Companies should be trained on a regular basis by the DSE (Dar es Salaam). The government should strengthen policies and loosen some regulations, particularly for foreign investors, in order to attract more direct and indirect investment.