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Effect Of Corporate Attributes On The Market Value Of Listed Nigerian Listed Manufacturing Firms (LMFs)

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ABSTRACT
This study examines the effect of corporate attributes on market value of listed manufacturing firms in Nigeria. The study population comprises 34 quoted manufacturing firms (consumer and industrial goods using purposive sampling technique to select sample size of 23 listed companies). Secondary data was extracted from annual reports of sampled 23 firms from (2013 – 2023). The study used GMM methods to analysed the data. The results of profitability and sales growth (t-val.= 63.352, P<0.05) and (t-val.= 65.748, P<0.05) have a positive and significant influence on the share price. Furthermore, financial leverage (t-val= -76.857, P<0.05), revealed negative and significant influence on the share price while firm size (t-val= 191.332, P<0.05) had a positive and significant influence on the share. Firm age has a favourable and substantial effect on the share price (t-val.= 17.6235, P<0.05). This study concluded that corporate attributes serve as a catalyst to enhance the market value (share price) among listed manufacturing firms in Nigeria. This study recommended among others that manufacturing firms in Nigeria should manage firm size and their resources, stability, and competitive advantages allow them to maintain or boost share prices.
Keywords: Corporate attributes, market value, profitability, sales growth, firm size

INTRODUCTION

Entity traits are those unique characteristics that set a business apart from its competitors, serving as strategic drivers of decision-making processes and performance parameters both internally and externally (Akenroye et al. 2022). Farouk et al. (2019) conceptualize businesses' qualities as structural elements that can be either internal or external to the company's strategic decisions, and these attributes may be under the firm's control or beyond it. Size and leverage are prime examples of these structural characteristics. Siyanbola et al. (2020) emphasize that a firm's characteristics encompass essential traits such as age, size, and profitability. Moreover, Oluwatayo et al. (2019) underscore that a business's performance and success are substantially shaped by its internal structure, distinctive strategies, and diverse organizational profiles. Thus, the unique attributes of firms are crucial determinants of their profitability and sustainability as ongoing enterprises. This perspective captures the qualitative dimensions of business success that are measured through specific metrics, reinforcing the importance of understanding these characteristics for long-term viability.

Increasing revenue and boosting stakeholder wealth must be the primary objectives of any commercial organization. A company's performance not only drives growth within its sector but also enhances the overall prosperity of the economy, substantially elevating its own market value (Abdullahi et al., 2019). The concept of market value has become a focal point for academics across diverse fields of business and strategic management, as its implications are critical to the long-term survival and success of organizations. High performance is achieved through effective resource management and utilization, ultimately contributing to the vitality of the national economy (Mayah & Onuigwe, 2023). Moreover, corporations are faced with a myriad of strategic choices, many shaped by their distinct governance characteristics. These decisions encompass vital areas such as operations, investments, and financing (Owolabi, 2017). As a result, a firm's operational resilience and organizational stability serve as key indicators of its market value. Market value is not just a number; it is a powerful metric reflecting investor confidence in a company's performance and is essential for sustainable growth. It instills public trust by embodying the success a company aspires to achieve. The connection between market value and the actions of investors concerning stock prices (Darmawan et al., 2019) underscores its importance. Ultimately, the foremost goal of any business should be to enhance its market value, as this is intrinsically linked to the wealth of its shareholders. This reality highlights the critical nature of strategic decision-making in driving a company's success. Firm value, distinct from market value, encapsulates a company's overall worth, including its financial obligations. Market capitalization—the total market value of a company's outstanding shares—determines a business's financial standing and potential for future growth. Firm features encompass the operational elements that substantially influence a company's decision-making processes (Abdullahi et al., 2019). Key indicators of firm traits include firm performance, monitoring practices, and structural dynamics. However, while profitability and sales growth are generally expected to enhance market value, the complexities of the Nigerian business environment may introduce unique challenges that obscure this link . Factors such as operational capabilities, shifts in regulatory frameworks, and economic volatility substantially influence the profitability and sales growth of businesses, potentially leading to discrepancies between a company's apparent market worth and its actual profitability. Moreover, this issue could be intensified by information asymmetry, as investors may lack access to accurate and comprehensive insights into a company's financial health (Akenroye et al., 2022).More research is essential to explore the link between size and leverage—and the market value of listed industrial companies in Nigeria. While larger companies may enjoy advantages such as economies of scale and enhanced credibility, various factors can obscure the true impact of size on market pricing. Competitive dynamics, regulatory requirements, and economic instability can all influence how firm size translates into market value. Additionally, information asymmetry may hinder investors' understanding of a firm's size and its implications for operational efficiency and profitability (Akenroye et al., 2022). Despite the substantial role that leverage plays in the industry, there remains considerable debate regarding the effect of increasing debt levels on the market valuations of Nigerian companies. High leverage can potentially enhance profits; however, it also elevates financial risk, prompting investors to reassess the valuation of companies. The manufacturing sector in Nigeria has recently been plagued by challenges such as low production levels, high risk, and a lack of diversification. According to Wahab et al. (2022), this market does not seem to hold the potential that stakeholders and business owners—particularly younger entrepreneurs—require. Mismanagement presents a major issue that further complicates these challenges. Misallocation of resources affects all sectors of the Nigerian economy, with the manufacturing sector bearing a particularly heavy burden (Kalu & Onwuka, 2019). Consequently, several research institutions nationwide have yet to produce the necessary frameworks for sustainable agricultural development (Emmanuel, 2018). To drive their financial growth metrics, businesses must also maintain operational stability, ensuring solid FP e in line with their unique capabilities (Osazefua, 2019). Companies frequently leverage their distinctive characteristics to manage complex strategic resources, aiming to maximize growth, create value for all stakeholders, and achieve robust FP e characterized by operational efficiency (Akenroye et al., 2022). However, the inadequate utilization of

internal business attributes—such as performance metrics, monitoring practices, and structural factors—has led to suboptimal corporate growth and a decline in the market value of Nigerian listed firms. Since internal characteristics are often within management's control and substantially influence variations in firm profitability (Enyi, 2021), it is crucial that sound financial management aligns with the objective of enhancing market value to meet the aspirations of specific business owners.

According to Ojo-Agbodu et al. (2024), various factors can substantially influence market value, including a company's debt policy (leverage), profitability, liquidity (the capacity to fulfill financial obligations), firm size, stock price, and income generated by the business. These aspects of corporate traits form the basis of this study, as they have been extensively examined in previous research, including studies by Efuntade & Akinola (2021), Mayah & Onuigwe (2023), Wahab et al. (2022), and Akenroye et al. (2022). However, it is important to note that different sectors can yield varying conclusions regarding the impact of firm attributes on market value. As such, findings from prior studies in other sectors may not directly apply to the industrial domain. Furthermore, results from research conducted in both developed and developing countries may not be relevant to this study, particularly given the scarcity of work that explicitly links specific corporate characteristics, such as firm performance, monitoring, and structural factors, to market value measured by earnings per share within the Nigerian context. Therefore, this study aims to bridge this gap by examining firm characteristics related to profitability , sales growth, firm size , financial leverage and age. By doing so, this research will contribute to a better understanding of how these factors collectively influence market value in Nigeria's industrial sector

This study substantially enhances the limited information available regarding the identification of company traits and their impact on the firm value of listed manufacturing enterprises. It contributes to the existing body of knowledge in this field by elucidating the underlying causes of business failures, particularly within the manufacturing sector, and highlighting the financial repercussions of subpar corporate characteristics

2. LITERATURE REVIEW

2.1. Corporate Attributes

Corporate attributes are the distinctive features that set one firm apart from another, particularly in terms of the unique resources it utilizes to conduct business. According to Kwaltommai et al. (2019), these attributes encompass critical elements such as leverage, firm size, and firm age. From this perspective, a company's unique traits not only differentiate it from competitors but also serve as strategic drivers of its internal and external performance indicators and decision-making processes. Taking a different approach, Farouk et al. (2019) view business attributes as structural components that can be either controllable or uncontrollable and may exist both within and outside the company's strategic purview. Corporate qualities define a firm's identity within its industry and establish its market presence. This underscores the notion that the characteristics fueling corporate income growth are inherently unique to each organization. The impact of these characteristics on firm decisions and operational strategies is profound. As companies pursue expansion, their resource allocation strategies naturally reflect this ambition. Firms experiencing rapid growth typically invest more heavily in assets and resources to facilitate that growth, unlike their slower counterparts

Profitability

Profitability is defined as a company's ability to generate profit, serving as a key indicator of financial health. According to Widyastuti (2019), high profitability signifies strong business potential, boosting market value and attracting investors. Increasing earnings reflect a favourable outlook, enhancing the firm's overall worth. This concept aligns with the Modigliani-Miller theory, which states that profits from a company's assets influence its value—greater asset turnover efficiency and higher profit margins contribute to increased firm value. Research, including studies by Chabachib et al. (2020) and Zuhroh (2019), confirms that profitability positively affects business valuation. Higher profitability leads to

favorable investor reactions, driving up market stock prices and perceived value (Yanti & Darmayanti, 2019).

Firm Growth

This illustrates the evolution of the company's revenue growth over time. Due to a lack of consensus regarding the best way to quantify business growth, previous empirical work has employed a wide range of measures. Nonetheless, this study will use the revenue change as a percentage over the study period to gauge business growth. This suggests that business growth is calculated by subtracting current year revenue from prior year revenue and dividing the result by the revenue from the prior year. By using sales as a percentage, we may use this to assess the company's performance over the last few years (Abdullahi & Suleiman, 2020; Tauhid et al., 2020). Ejike (2020) asserts that companies with room to grow tend to retain their income instead of paying out dividends, allowing them to finance their initiatives internally. This is because businesses must incur higher debt levels and financing needs as a result of excessive investment, particularly when retained earnings are not enough to cover the expenses.

Financial Leverage

Corporate debt is a key predictor variable that can substantially enhance market value, enabling management to effectively manage cash flow. As Olagunju et al. (2021) suggest, improved fund control leads to better firm performance, positively influencing business value, as evidenced by rising stock prices (Mediawati, 2016). While Wulandari (2013) found that leverage negatively impacts business value, Efuntade and Akinola (2020) reported a favourable and substantial effect of leverage on firm value. Financial leverage, indicated by the long-term debt-to-equity ratio, reflects a company's reliance on long-term funding.

Firm Age

According to Mayah and Onuigwe (2023), older firms benefit from accumulated experience, which fosters standardization, improved coordination, and expedited operations. Over the years, these companies have developed established benchmarks that enable them to effectively manage resource allocation, differentiating them from their younger counterparts. As a result, older organizations often outperform newer ones, thanks to well-defined standards that govern most activities and robust policies tailored for various operations. In contrast, younger firms typically lack the liquidity policies and operational frameworks that have been refined over time in more established organizations. This maturity allows older firms to navigate challenges more adeptly, leveraging insights gained from years of practical experience.

Firm Size

The concept of "firm size" is a critical determinant of a business's scale, often measured by its total assets. Numerous studies have delved into the profound impact of firm size on financial success, recognizing it as a vital indicator of overall performance. Yet, the findings remain varied and sometimes contentious. For business leaders across industries, FP is paramount, as it directly influences an organization's viability and long-term sustainability (Afinindy et al., 2021). Larger firms, with their enhanced resources, have the advantage of tapping into a broader array of investment opportunities. Agarwal and Singh (2022) highlight that a company’s size is integral to its financial success, asserting that growth in size is typically accompanied by improved performance.

Market Value

Market value refers to the overall worth of a business as perceived by investors, stakeholders, and the market (Ukoh et al. 2024). Market value reflects the company’s ability to generate profits, manage resources efficiently, and sustain future growth. It serves as a critical indicator for investment decisions, mergers, and performance evaluations. Often times, stock price is seen as a representative of the outcomes of the internal operation of an organization through the effective strategic formulation of the management (Itan & Riana, 2021). This is why in some cases the efficiency and effectiveness of managers of quoted entities is represented by the level of stock price (Buzinskiene & Rudyte, 2021). Thus, closing price of shares is used as a proxy for market value in this study.

Theoretical Framework

The theoretical framework underpinning this study is signaling theory, as it emphasizes that efficient management is crucial for maximizing operational productivity, which in turn enhances a firm's FP and overall value. A strong signaling effect is created when a business effectively communicates its operational capability, sending a favourable message to both current and potential investors about its ability to sustain operations in alignment with the concept of accounting. This communication not only reinforces investor confidence but also demonstrates the business's commitment to satisfying stakeholder interests while maximizing wealth. Substantially, the theory posits that accounting information serves as a vital signal to the market, directly influencing investment decisions. This premise is central to our investigation, highlighting how the interplay between management efficiency and signaling can impact investor perceptions and behaviors.

2.3 Empirical Review

Akinninyi (2025) conducted a thorough examination of the determinants of profitability within Nigerian manufacturing firms, focusing on critical internal financial indicators spanning from 2013 to 2023. Employing Panel Least Squares regression alongside Granger Causality analysis, the findings compellingly demonstrated that liquidity and firm size are key drivers enhancing profitability. In contrast, while leverage and sales growth presented favourable link s, they were ultimately deemed insubstantial.

Daniya et al. (2024) rigorously investigated the impact of corporate attributes on the valuation of 24 listed consumer and industrial goods firms over an impressive 14-year period (2009-2022). The research utilizing descriptive statistics to delineate variables and correlation analysis to establish link s. Employing both random effects (FE) and OLS robust regressions, the study compellingly highlighted that firm size, multinational presence, and research and development substantially enhance firm value. Conversely, while leverage exerted a substantial an inverse influence on value, the impact of institutional shareholding was found to be an inverse yet insubstantial.

Chirchir et al. (2024) delved into the intricate link between firm characteristics and FP among non-financial However, there lies a cautionary note—extremely large firms may face inverse repercussions due to bureaucratic inefficiencies and other challenges. Despite these potential pitfalls, a substantial body of research points to a robust and favourable correlation between firm size and FP while firm growth demonstrated a robust favourable effect. Additionally, the study indicated that firm age adversely affects ROA, offering integral insights into performance drivers.

Ojo-Agbodu et al. (2024) leveraged the balanced scorecard (BSC) model to investigate the influence of corporate characteristics—including board size, independence, age, firm size, and age—on the performance disclosure of Nigerian listed manufacturing companies. The research surveyed manufacturing firms quoted on the Nigerian Exchange (NE), over a ten-year period (2012-2021). Notably, board size and gender diversity emerged as primary factors affecting disclosure effectiveness.

Ali and Monica (2023) conducted an insightful analysis on how board independence and size impact the FP e of manufacturing firms registered in Nigeria between 2010 and 2021. Through a precise simple sampling method, they selected eight out of fourteen available firms for this empirical investigation. The analysis utilized descriptive statistics alongside multiple regression techniques. The results compellingly indicated that the dimensionality of the board adversely affects FP e (return on equity), whereas board independence emerged as a beneficial factor, highlighting the complex dynamics of governance in financial outcomes.

Nduonofit et al. (2023) explored the substantial influence of firm size on market value among listed manufacturing companies in Nigeria, unveiling a favourable correlation that speaks volumes about industry dynamics. However, the study acknowledges that examining manufacturing as a single entity may obscure critical nuances present within specific sectors, such as consumer goods, which navigate unique market behaviors and competitive landscapes.

Akenroye et al. (2022) conducted a critical investigation into the influence of firm characteristics on the FP e of selected listed companies in Nigeria, utilizing a robust ex-post facto research design. This

research relied on secondary data sourced from audited financial statements over a substantial 10-year period (2011–2020). Through the application of both descriptive and inferential statistics, particularly multiple regression analysis, the findings revealed a substantial collective impact of firm characteristics on key performance metrics such as NPM and COE. The study conclusively demonstrated that these firm characteristics are pivotal in driving optimal corporate FP.

Similarly, Mayah and Onuigwe (2023) investigated the profound impact of firm attributes on the performance of LMFs in Nigeria over the 2011 to 2020 period. . The researchers employed panel least squares regression to validate their hypotheses, revealing that both firm size and board gender diversity have a statistically substantial effect on performance.

In a related study, Oluwatuyi and Obafemi (2023) thoroughly examined how firm characteristics influence the FP of LMFs in Nigeria from 2011 to 2020. The OLS regression analysis yielded nuanced insights: while operating efficiency, asset tangibility, and leverage policy substantially and negatively influenced performance, firm age and corporate stability presented an inverse but insubstantial effects. Meanwhile, firm growth and size exhibited favourable but insubstantial impacts on performance. The authors noted a critical finding: the combination of operating efficiency and asset tangibility exerted a greater influence on performance than any other combination of characteristics, underscoring the importance of these factors in optimising financial outcomes.

Wahab et al. (2022) conducted a thorough examination of how corporate characteristics shape the FP e of listed agricultural and agro-allied companies in Nigeria. Their research focused on crucial factors impacting the economic success of these entities. The panel regression analysis revealed a critical finding: while corporate characteristics often lacked a substantial influence on the FP e of these enterprises, the inference was clear that these characteristics did exert a favourable influence, suggesting they hold substantial potential for driving performance as these companies expand their operations in the future.

Afinindy et al. (2021) delved into the link between firm traits and firm value within the food and beverage sector, analyzing firms listed on the Indonesia Stock Exchange (IDX) from 2013 to 2018. Employing a rigorous quantitative approach and purposive sampling, they utilized Partial Least Squares (PLS) for thorough hypothesis testing. Their results were revealing: firm size and sales growth did not enhance firm value, while profitability substantially impacted firm value without influencing capital structure.

Efuntade and Akinola (2020) assessed the impact of firm attributes on the FP of quoted manufacturing firms in Nigeria. By employing a descriptive research design over a remarkable 14-year span, they meticulously investigated the link between firm characteristics and FP. Their analysis of secondary data from five selected manufacturing firms utilized panel least squares regression, yielding compelling results: all independent variables collectively demonstrated a robust impact on FP e as measured by ROA , underscoring substantial associations between the explanatory and the dependent variable. In another vital contribution,

METHODOLOGY

For this study, an ex post facto research design has been adopted to meet the study's objectives. This design is chosen due to the nature of the data that will be analyzed, which is anticipated to already exist. The population for this study comprises 34 LMFs from the Nigerian Exchange Group (NGX). These firms, which include both consumer and industrial goods companies, are documented in the official records of NGX as of December 2023 . For this study, we utilized a purposive sampling technique to select a robust sample of twenty-three (23) manufacturing firms, encompassing both consumer goods and industrial goods sectors. The data for this study comprised of secondary information encompassing key traits indicator such as profitability , sales growth , leverage and firm size and age. This study extracted data from the annual financial reports and accounts of 23 listed manufacturing firms from 2013 to 2023. The study employed both descriptive and Generalized Method of Moments (GMM) to analyze the collected information. This will allowing us to draw robust conclusions and uncover substantial patterns

within the data. This methodological approach guarantees a thorough examination of the link s and dynamics at play, enhancing the validity and impact of our findings.

Table 1: Summary of Measurement Variables

Variables	Types of Variable	Variable Labels	Measurement
Share Price	Dependent	SP	Closing stock price of a financial year.
Firm Monitoring			
Firm Performance			
Profitability	Independent	PROF	Ratio of net income to total asset
Sales growth	Independent	SGR	Changes in revenue over a time expressed in %
Leverage	Independent	LEVE	Total debt / Equity
Firm size	Independent	FS1	Natural log of total assets
Firm Age	Independent	FAGE	Number. of years since the firm is incorporated

Source: Author's Compilation (2026)

Model Specification

For the purpose of measuring the link between criterion and predictors parameters, an econometric model adapted from the previous related work of (Akenroye et al., 2022).

$$SP = f(PROF, SGW, LEV, FZI, Fage) \quad (3.3)$$

$$SP_{it} = \delta_0 + \delta SP_{it-1} + \delta_1 PROF_{it} + \delta_2 SGW_{it} + \delta_3 LEV_{it} + \delta_4 FSZ_{it} + \delta_5 Fage_{it} + \varepsilon_{it} \quad (3.4)$$

,δ_0, intercept,δ_1- δ_5 are estimated coefficients

SP = Share price; PROF= Profitability; ROA= Return on Assets; LEV= Leverage

FIS= Firm size; ε = Error terms.; i = firm; t = time

RESULTS AND DISCUSSION

Table 2: Summary of Descriptive Statistics

	SP	ROA	SGR	FSIZE	LEV	AGE
Mean	81.457	7.199	13.228	7.459	0.562	32.972
Median	15.300	5.788	8.119	7.517	0.525	37.000
Max.	1555.990	53.959	416.403	9.699	2.473	58.000
Min.	0.500	-26.371	-55.165	5.378	0.021	4.0000
Std. Dev.	240.446	10.772	40.524	0.907	0.356	13.426
Skewness	4.771	0.712	6.250	-0.230	1.899	-0.675
Kurtosis	25.996	5.962	54.673	2.446	8.7365	2.333
Jarque-Bera	6534.264	113.885	29795.11	5.473	498.979	23.918
Probability	0.000	0.000	0.0000	0.065	0.0000	0.000
Sum	20608.70	1821.37	3346.714	1887.31	142.058	8342.00
Sum Sq. Dev.	14569158	29241.9	413841.9	207.533	31.972	45422.8
Observations	253	253	253	253	253	253

Source: Author's Computation, 2026

Table 2: presents a comprehensive overview of key financial metrics indicative of shareholders' wealth among the sampled manufacturing firms in Nigeria. The average market share price, serving as a critical

baseline measure of shareholder wealth, stands at N81.457 kobo. In contrast, the max. and min. prices recorded are N1555.99 kobo and N0.500 kobo, respectively. Examining profitability, the average return on assets is recorded at 7.199%, while the max. and min. values are 53.959% and -26.371%, respectively. This suggests that overall profitability among the sampled firms is quite poor and not encouraging. Sales growth, on the other hand, averages a modest 13.228%, accompanied by max. and min. values of 416.403% and -55.164%, with a standard deviation of 40.524. This indicates that growth in sales poses considerable risk among these firms. Considering firm size, the mean value is 7.459, with the max and min. sizes recorded at 9.699 and 5.378, respectively, resulting in a standard deviation of 0.907. Furthermore, leverage among the sampled firms averages 0.562, with max and min. values of 2.473 and 0.021, which corresponds to a standard deviation of 0.3707. Finally, the average age of the firms stands at 32.972 years, with the oldest firm being 58 years and the youngest just 4 years old. An analysis of the computed Jarque-Bera statistics shows that p-values for all parameters are below the critical threshold of 0.05, except for firm size at the 5% SL. This implies that we cannot accept the null hypothesis, leading us to reject the hypothesis of normality for all variables over the studied period

Table 3 Correlation Matrix

Correlation Probability	SP	ROA	SGR	FSZ	LEV	AGE
SP	1.0000					
ROA	0.2955	1.0000				
SGR	-0.0032	0.0845	1.0000			
FSZ	0.2615	0.1493	0.0607	1.0000		
LEV	0.0734	-0.2937	-0.0666	-0.2145	1.0000	
AGE	0.1076	0.0253	-0.0367	0.1129	-0.0684	1.0000

Source: Author's Computation, (2026)

The findings presented in Table 3 unveil a noteworthy weak return on assets showcases a robust favourable and substantial association with share price, reflected by a coefficient of 0.2955. This underscores the importance of maintaining a consistent track record of profitability, which can substantially enhance a firm's reputation in the marketplace. Sales growth, while exhibiting a an inverse but weak association with share price (coefficient of -0.0032), simultaneously retains a favourable correlation with other examined variables. Firm size, on the other hand, demonstrates a strong favourable and substantial correlation with share price, with a coefficient of 0.2615. This clearly indicates that larger companies are often endowed with greater resources and diversified product lines, leading to more stable revenue streams and consequently bolstering investor confidence to drive share prices higher. Moreover, leverage shows a favourable but weak association with share price at a coefficient of 0.0734, while firm age reveals a favourable and substantial correlation with share price, with a coefficient of 0.1076. Other regressors show relatively weak associations as their correlation coefficients fall below the 0.5 threshold. Consequently, there is no indication that multicollinearity poses a substantial issue in this analysis.

Table 4: (Multiollinearity, Heteroscedasticity and Serial Correlation) Test

Variable	Cof. Variance	Uncentered VIF	Centered VIF
C	1576.893	7.5592	NA
ROA	1.8193	1.4600	1.0080
FGRW	0.1286	1.1166	1.0087
FSIZE	270.761	72.901	1.0590
LEV	1743.329	3.6711	1.0504
AGE	1.1644	7.0707	1.0022
Heteroskedasticity	7.0391	(0.0001)	
Serial Corr. LM	431.399	(0.000)	

Source: Author's Computation (2026)

The study utilized the Variance Inflation Factor (VIF) approach to meticulously assess multicollinearity among the explanatory variables. Notably, the VIF values for all predictor variables remained below the critical threshold of 10.0, as illustrated in Table 4. With values ranging from 1.0022 to 1.0590, it is clear that multicollinearity among the explanatory variables poses no concern in this analysis. Moreover, Table 4.3 reveals a significant presence of autocorrelation in the model, as indicated by the Breusch-Godfrey Serial Correlation LM Test, which yielded an impressive F-value of 431.399 accompanied by a p-value of 0.0001. This unequivocally confirms the existence of serial autocorrelation within the data. Additionally, the model highlights a notable issue of heteroskedasticity, with the Breusch-Pagan Godfrey F-value calculated at 7.0391 and a corresponding p-value of 0.000, further solidifying our findings regarding the presence of heteroskedasticity.

Table 5: GMM Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
SP(-1)	0.4291	0.0024	180.1916	0.0000
ROA	4.7727	0.0753	63.3524	0.0000
SGR	0.5313	0.0081	65.7487	0.0000
FSIZE	13.3178	0.0696	191.3329	0.0000
LEV	-7.4631	0.0971	-76.8572	0.0000
AGE	5.0124	0.2844	17.6235	0.0000
Diagnostics Tests				
J-statistic	18.234			
Prob (J-statistic)	0.5068			
Prob.AR(1)	0.1792			
Prob. AR(2)	0.2103			
Prob. (Wald Test):	0.0000			
Instrument rank	23			

Source: Author's Computation, (2025)

As depicted in Table 5, The result revealed that the profitability has a favourable and substantial influence on the share price (t-val= 63.352, P<0.05). This implies that firms that demonstrate strong profitability are more likely to attract both domestic and foreign investment. Investors often seek out profitable companies for higher returns, which can boost the overall market capitalization of these firms. In addition, management teams may use insights from profitability trends to inform their strategic decisions, such as expansion plans, cost management, and dividend policies. A focus on maintaining or improving profitability can lead to sustained share price growth.

Furthermore, sales growth revealed favourable and substantial influence on the share price (t-val= 65.748, P<0.05). This indicates that rising sales growth often signals that a company is gaining market share or expanding its customer base. This can attract more investors looking for growth opportunities, leading to increased demand for shares and higher share prices.

As depicted in Table 5., The result revealed that the firm size has a favourable and substantial influence on the share price (t-val = 191.332, P<0.05). This suggests that larger firms often have greater resources, established customer bases, and diversified product lines, which can lead to more stable revenue streams. This stability can enhance investor confidence and contribute to a higher share price. In addition, bigger firms typically have easier access to financing through equity or debt markets due to their established reputation and lower perceived risk. This can facilitate further growth and expansion opportunities, positively influencing share prices

Furthermore, leverage revealed an inverse and substantial influence on the share price (t-val= -76.857, P<0.05). This indicates high leverage typically signifies that a firm is heavily reliant on debt to finance its operations. This can lead to increased financial risk, especially during economic downturns or periods of rising interest rates, which may deter investors and negatively impact share prices. Firms with substantial leverage often face higher costs of capital due to increased risk perceived by lenders and investors. This can limit the firm's ability to invest in growth opportunities, further influencing share prices unfavorably.
Firm age has a favourable and substantial effect on the share price (t-val= 17.6235, P<0.05). This implies that firms that have been in operation for a longer time are likely to possess more experience and expertise in their industry. This operational knowledge can lead to improved decision-making, efficiency, and ultimately better FP e, positively affecting share prices.
The post estimation tests based on second order autoregression AR (2) and Prob (J-statistic) test show (0.2103) that the coefficients of the autogression are not substantial since the probability values are respectively larger than 5 percent. Meaning the residuals are not autocorrelated. The p-value of the Sargan Test (J-stat.) test associates with large probability value. In this regard, the null hypothesis of overidentifying restrictions is valid cannot be rejected. It means all the instruments are valid and the model has good fit for prediction. However, the $Waldtest$ (x^2=61517.78; p-val<0.05) disclosed that firm monitoring mechanisms has substantial effect on market value of LMFs in Nigeria. Therefore, null hypothesis of there is no substantial effect of firm monitoring mechanisms on market value of LMFs is not accepted at five percent.

DISCUSSION OF FINDINGS

. The result revealed that the profitability has a favourable and substantial influence on the share price. This implies that management teams may use insights from profitability trends to inform their strategic decisions, such as expansion plans, cost management, and dividend policies. A focus on maintaining or improving profitability can lead to sustained share price growth.. This is consistent with outcome of Martami- Sari and Panji -Sedana (2019) who revealed that profitability has a favourable and substantial effect on firm value. Furthermore, sales growth revealed favourable and substantial influence on the share price. This indicates firms experiencing sales growth may be more likely to invest in their operations, such as expanding production capacity or entering new markets. This forward-looking approach can lead to greater long-term profitability, which could further enhance their share price. This is supported by Kabiru et al. (2019) reveals that firm growth has a favourable and substantial impact on firm value.
The result revealed that the firm size has a favourable and substantial influence on the share price. This suggests that a larger firm size may provide advantages in terms of negotiating power with suppliers, distribution channels, and technology investments. These results align with the findings of Abdullahi et al. (2019); Kabiru et al. (2019) Daniya et al. (2024) revealed firm size has a substantial favourable effects on firm value.
Furthermore, leverage revealed an inverse and substantial influence on the share price. This indicates that firms with substantial leverage often face higher costs of capital due to increased risk perceived by lenders and investors. This can limit the firm's ability to invest in growth opportunities, further influencing share prices unfavorably. In addition, companies with high leverage may be less inclined to pay dividends due to the need to prioritize debt repayments. A lack of dividends can be a red flag for investors seeking income, potentially lowering share prices. This findings is corroborated with the outcome of Uzoka et al. (2020) and Daniya et al. (2024) revealed that leverage has substantial an inverse effect on firm value, firm age has a favourable and substantial effect on the share price. This implies that older firms often have built a stronger reputation over time, which can lead to increased trust among investors and consumers. The outcome is similar to Abdullahi et al. (2019) firm age also has a favourable link with firm value.

CONCLUSION AND RECOMMENDATIONS

The analysis and findings of this study establishes a clear link between firm profitability sales growth—and market value, underscoring their substantial positive influence among listed firms in Nigeria. The factors such as firm size and leverage have also been shown to considerably affect market value. In conclusion, this study strongly affirms that corporate attributes serve as essential mechanisms for enhancing market value (share price) among LMFs in Nigeria. In the light of the above; the following recommendations made are as follows: .

Manufacturing firms in Nigeria should manage firm size and their resources, stability, and competitive advantages allow them to maintain or boost share prices. LMFs in Nigeria need to carefully manage their debt levels. Striking a balance between leveraging for growth and maintaining financial stability is crucial for maintaining investor confidence and supporting share price performance. This study contributes by added to the general knowledge by using GMM technique to bringing up the robustness of the research methodology.The results of this study are limited to the data collected from the reports of listed manufacturing companies which limits the generalizability of the findings to the entire Nigerian corporate landscape.

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