SCALE AND GROWTH IN CAPITAL SOURCES OF LOGISTICS SERVICE BUSINESSES LISTED ON THE VIETNAM STOCK EXCHANGE

MSc. Hoang Thi Thuy Hang*

Abstract: ***This research conducts a comprehensive evaluation of the growth dynamics and structural shifts in the capital scale of listed logistics service (LLS) enterprises on the Vietnamese stock exchange over the volatile five-year period from 2020 to 2024. Utilizing descriptive statistical methods, the study meticulously examines the disparities in capital mobilization and accumulation by employing a dual-classification framework based on firm size and business specialization. Specifically, the sample is bifurcated using a total asset threshold of 1,000 billion VND to facilitate a comparative analysis between 20 Large-Scale Businesses (LSB) and 38 Small-Scale Businesses (SSB), thereby uncovering the degree of financial polarization within the industry. Furthermore, the study accounts for the inherent operational diversity of the logistics sector by categorizing 58 enterprises into three distinct sub-sectors: Transportation (TRA), Warehousing (WAR) and Transportation Support (TRASP). By synthesizing these empirical observations through the lens of average capital values and comparative indicators, the research provides nuanced insights into the current financial health of the industry, identifying key trends in leverage patterns and internal resource development that are essential for sustaining competitiveness in the modern economic landscape.***

• Keywords: *capital scale, capital structure, retained earnings, vietnam stock market.*

Date of receipt: 25th Jan., 2026
Date of delivery revision: 04th Feb., 2026
Date of receipt revision: 20th Mar., 2026
Date of approval: 30th Mar., 2026
DOI: https://doi.org/10.71374/jfar.v26.i2.27

1. Introduction

Along with the rapid expansion of e-commerce and international trade, demand for transportation and logistics services has increased substantially, making the logistics industry a key driver of economic development. In this context, the ability of logistics enterprises to mobilize and manage capital effectively has become increasingly critical for sustaining growth, improving service capacity, and enhancing competitiveness.

However, logistics enterprises differ significantly in terms of firm size and business characteristics, leading to substantial variation in capital requirements and financial structures. Large-scale firms, particularly in capital-intensive segments such as transportation, often require substantial financial resources to invest in fleets, infrastructure, and technology, while small-scale firms and asset-light service providers typically operate with more modest capital bases and different financing strategies. These structural differences imply that capital scale and capital composition cannot be uniformly assessed across the industry.

Against this backdrop, this study examines the differences in the scale and structure of capital sources among logistics service enterprises listed on the Vietnamese stock market, with a particular focus on firm size and business segment. By comparing capital development across these groups, the study aims to provide empirical evidence on financial polarization, leverage patterns, and internal capital accumulation within the logistics sector.

2. Literature review

Forbes (2007b) finds that smaller enterprises faced considerable financial constraints to expand the size of capital for the particular situation of the Chilean encaje, and that these constraints diminished with firm size. An additional group of empirical research focuses on the connection between gaining capital and the size of the company. Bekaert et al. (2011) show that the loss of capital constraints positively impacts capital stock growth. With an emphasis on Eastern European nations, Larraín and Stumpner (2017) discover that capital expansion boosts overall productivity by facilitating a more effective distribution of capital among enterprises

** TANO GROUP; email: hangtanogroup@gmail.com (PhD Student at Academy of Finance)*

and creating more earnings after tax, which leads to better capital gain.

Some research falls into the larger category of micro-to-macro literature agenda. Generally, different companies with a wide range of policies or other factors that cause input misallocation across different fields can be studied and quantified using models of heterogeneous firms (Hopenhayn and Rogerson, 1993). Financial capital expansion can significantly skew the allocation of productive elements, as Buera et al. (2011) demonstrated in a model with sectors that vary in their degree of financial dependency. In a model with one old and one modern productive sector, new technologies lead to misallocation, resulting in less capital expansion, as suggested by Midrigan and Xu (2014). Evidence from Chen and Irarrázabal (2015) suggests that financial character may have a significant role in explaining Chile's output and capital-expanding

3. Data and method

The study uses data collected from publicly announced financial statements combined with analysis of annual reports of businesses to understand the actual business situation associated with the fluctuations of businesses. data

When divided by size, listed enterprises in the industry are divided according to the 1,000 billion mark. With this division milestone, 58 listed enterprises in the industry are divided into 20 small enterprises and 38 large enterprises.

When divided by business lines, there are 3 main industry groups: the transportation industry, the warehousing industry and the transportation support industry with the number of companies being 23, 13 and 22 enterprises respectively.

4. Research results

4.1. Scale of capital sources

4.1.1. Scale of Total Capital

Table 4.1. Average total capital size of LLS companies on the Vietnamese stock market during the period 2020 - 2024 (Billion VND)

	2020	2021	2022	2023	2024	5-year A
OM	3,023.48	3,326.18	3,737.27	4,142.85	4,602.74	3,766.51
SSB	338.56	360.00	342.56	380.03	421.67	368.56
LSB	7,416.99	8,179.92	9,292.26	10,300.20	11,444.50	9,326.78
TRA	6,237.33	6,727.51	7,504.54	8,307.94	9,196.73	7,594.81
WAR	1,041.62	1,270.15	1,250.88	1,497.15	1,680.26	1,348.01
TRASP	834.64	985.17	1,268.00	1,351.81	1,526.87	1,193.30

Source: Compiled by the author

Vietnam's logistics market exhibits a pronounced financial polarization, as large-scale firms possess average asset sizes dozens of times greater than those of small-scale firms, despite the numerical dominance of small enterprises. The presence of major aviation companies such as Vietnam Airlines (HVN) and VietJet Air (VJC), with total assets amounting to tens of thousands of billion VND, significantly elevates the industry-wide average, reflecting the highly capital-intensive nature of the transport sector. This massive asset base acts as a critical financial lever, enabling large-scale firms to enjoy superior access to large credit facilities, bond issuance, and capital mobilization through the stock market to finance cross-border infrastructure investment projects.

Financial capacity is determined not only by absolute capital size but also by asset structure shaped by sectoral characteristics. The transport sector leads in capital scale due to the requirement to own high-value fixed assets such as aircraft and vessels, which in turn generates substantial depreciation expenses and debt management pressures, directly affecting short-term liquidity. In contrast, the warehousing and logistics support segments, with lower average capital levels, tend to adopt asset-light business models, allowing greater financial flexibility, lower liquidity risk, and stronger resilience to adverse market shocks.

4.1.2. Scale of Debts

Table 4.2. Average size of borrowed capital of LLS companies on the Vietnamese stock market during the period 2020 - 2024 (Billion VND)

	2020	2021	2022	2023	2024	5-year A
OM	1,942.3	2,242.56	2,761.92	3,176.82	3,302.89	2,685.3
SSB	103.49	114.61	88.32	114.75	141.11	112.46
LSB	4,951.4	5,724.67	7,136.89	8,187.47	8,476.70	6,895.4
TRA	4,379.1	4,914.02	6,184.51	7,109.90	7,330.46	5,983.6
WAR	382.73	469.00	363.58	536.40	643.93	479.12
TRASP	316.47	497.69	600.95	625.21	663.44	540.75

Source: Compiled by the author

The period from 2020 to 2024 witnessed a continuous increase in the overall debt level, reflecting the significant capital needs to maintain operations and recover from the pandemic. However, financial capacity showed a clear differentiation: while small businesses maintained a safe financial structure with debt accounting for only about one-third of total capital, large businesses were heavily reliant on borrowed capital (up to 65%).

The disparity in financial capacity becomes even more apparent when considering industry specifics, where the Transportation group records an overwhelmingly high level of debt, 10 to 20 times greater than the Warehousing and Transportation Support group. Due to the capital-intensive nature of investing in expensive vehicles, transportation businesses are forced to accept higher financial

risks to maintain competitiveness. Conversely, the Warehousing and Transportation Support group, with significantly lower debt levels, demonstrates a healthy financial structure, giving these businesses better financial leeway to withstand market shocks or easily adapt their business models when necessary.

4.1.3. Scale of equity capital

Table 4.3. Average size of equity capital of LLS companies on the Vietnamese stock market during the period 2020 - 2024 (Billion VND)

	2020	2021	2022	2023	2024	5-year A
OM	1,081.12	1,111.93	984.01	966.03	1,303.40	1,089.30
SSB	235.07	247.93	254.23	265.25	280.56	256.61
LSB	2,465.56	2,525.77	2,178.19	2,112.76	2,977.13	2,451.88
TRA	1,858.24	1,774.87	1,320.03	1,198.04	1,866.26	1,603.49
WAR	658.89	808.21	887.30	960.76	1,036.33	870.30
TRASP	518.17	598.33	689.85	726.59	872.76	681.14

Source: Compiled by the author

The overall equity capital of the sample showed unstable fluctuations, particularly a sharp decline in 2022-2023 before recovering in 2024, indicating that the internal financial capacity of logistics businesses was significantly impacted by previous business losses. The differentiation continued, with large-scale businesses possessing nearly 10 times more equity capital than small-scale businesses. However, while the small-scale group accumulated equity capital steadily and sustainably year after year, the large-scale group showed significant instability in its capital structure, reflecting the challenges faced by large businesses in preserving capital amidst negative global market fluctuations.

By sector, the Transportation group, despite holding the largest equity capital, recorded a significant decline in average value from 2020 to 2023 (a decrease of nearly 35%) due to accumulated losses, significantly eroding its financial capacity and self-sufficiency. Conversely, the Warehousing and Transportation Support group demonstrated very positive financial health with continuously growing equity capital over the years. This shows that warehousing and support businesses not only have a good ability to self-finance their investments but also maintain a safe financial foundation, less dependent on external debt compared to capital-intensive transportation businesses.

4.1.4. Scale of owner's equity

Table 4.4. Average size of owner's equity capital contributions of LLS companies on the Vietnamese stock market during the period 2020 - 2024 (Billion VND)

	2020	2021	2022	2023	2024	5 year A
OM	861.11	886.82	903.39	928.85	991.93	914.42
SSB	142.54	149.86	154.05	165.98	172.05	156.90
LSB	2,036.97	2,092.7	2,129.57	2,177.1	2,333.55	2,154.01
TRA	1,764.02	1,775.9	1,778.17	1,780.2	1,846.84	1,789.05
WAR	319.64	360.45	364.87	412.88	433.53	378.27
TRASP	237.13	268.29	307.06	343.62	428.14	316.85

Source: Compiled by the author

The disparity in financial capacity between the groups is significant, with the capital contribution of the large-scale group being nearly 14 times greater than that of the small-scale group (SSB). While the SSB group maintains a modest capital contribution of around VND 150 billion, limiting their ability to undertake groundbreaking investment projects, the LSB group possesses a solid charter capital foundation, creating a significant advantage in securing loans and establishing financial credibility in the international market.

In terms of sectors, the Transportation industry holds an absolute advantage in terms of capital contribution (averaging over VND 1,700 billion), reflecting the specific need for large "seed" capital to establish a fleet and infrastructure. A notable highlight is the Warehousing and Transportation Support sector, where capital contribution has grown rapidly (the Transportation Support group nearly doubled in 5 years), indicating a trend of shifting investment capital towards segments with more stable profit margins and lower risks. This steadily growing capital contribution serves as a crucial foundation for businesses to improve their financial safety ratios, reduce debt pressure, and create room for strategic capital increase plans in the future.

4.1.5. Size of the development investment fund

Table 4.5. Average size of development investment funds of LLS companies on the Vietnamese stock market during the period 2020 - 2024 (Billion VND)

	2020	2021	2022	2023	2024	5 year A
OM	106.78	111.21	121.75	136.43	153.01	125.83
SSB	32.79	32.79	36.85	38.15	40.21	36.16
LSB	227.86	239.53	260.67	297.26	337.58	272.58
TRA	130.78	141.27	148.58	164.24	184.59	153.89
WAR	72.75	73.94	83.92	96.15	110.24	87.40
TRASP	101.80	101.80	116.05	131.16	145.26	119.21

Source: Compiled by the author

The differentiation in self-financing capacity is evident, with the large-scale group possessing nearly eight times the fund size of the small-scale group (SSB).

By sector, the Transportation industry leads in accumulated fund value, reflecting the enormous need for reinvestment capital to maintain and modernize the fleet and vehicles. However, the Warehousing and Transportation Support group shows impressive fund accumulation rates, especially the Warehousing group with a fund growth of nearly 52% in just 5 years. This strengthens the sustainable financial capacity

of the support service groups, creating a high-quality "reserve capital" to readily seize new investment opportunities or cope with risks without weakening the core equity capital structure.

4.1.6. Scale of retained earnings after tax

Table 4.6. Average size of retained after-tax profits of LLS companies on the Vietnamese stock market during the period 2020 - 2024 (Billion VND)

	2020	2021	2022	2023	2024	5 year A
OM	(171.9)	(154.94)	22.79	3.33	257.82	(8.59)
SSB	2.36	7.59	6.21	10.69	13.09	7.99
LSB	(479.0)	(441.32)	52.00	(9.65)	689.02	(37.79)
TRA	(475.3)	(506.94)	(477.2)	(60.34)	539.38	(196.1)
WAR	37.08	90.46	94.84	43.32	61.44	65.43
TRASP	21.77	68.04	503.03	46.25	79.51	143.72

Source: Compiled by the author

The retained earnings of the entire group showed extremely volatile fluctuations, clearly reflecting the ups and downs in the financial capacity of the logistics industry under the impact of global economic shocks. While the small-scale group maintained stable positive accumulation and consistent growth year after year, the large-scale group suffered heavy losses with deeply negative retained earnings in the initial period.

By sector, the Transportation industry is the focal point of financial risk, recording consistently negative retained earnings for the first four years, severely reducing equity capital and limiting self-financing capacity. Conversely, the Warehousing and Transportation Support group demonstrates sustainable financial capacity and impressive resilience with consistently positive retained earnings, creating a secure financial foundation. In particular, the breakthrough of the Transportation Support group in 2022 shows their ability to seize opportunities to increase accumulation, helping these businesses maintain a competitive advantage.

Conclusion

The analysis of capital sources of logistics service enterprises listed on the Vietnamese stock market during the period 2020-2024 reveals a highly differentiated financial structure across firm sizes and business segments, reflecting both structural characteristics of the industry and divergent financial strategies.

First, the results confirm a pronounced polarization in capital scale. Large-scale businesses dominate the industry in terms of total capital, borrowed capital, equity, and internal funds, largely driven by the capital-intensive nature of transportation activities.

Second, the capital structure of large-scale firms is characterized by high financial leverage. In contrast, small-scale firms and asset-light segments such as warehousing and transportation support maintain more conservative debt ratios, contributing to stronger financial resilience.

Third, the evolution of equity capital and owner's equity contributions highlights contrasting patterns of financial sustainability. Large-scale and transportation enterprises experienced significant volatility in equity capital, especially during 2022-2023, reflecting the erosion of internal financial capacity due to accumulated losses. Meanwhile, warehousing and transportation support firms demonstrated steady and consistent growth in equity and contributed capital, underscoring their stronger self-financing capacity and lower dependence on external debt.

Fourth, the continuous growth of development investment funds across all groups signals a strategic shift toward strengthening internal capital accumulation. Large-scale firms maintain a clear advantage in absolute fund size; however, the rapid growth rate observed in warehousing and support services indicates improving long-term financial sustainability.

Finally, retained earnings after tax exhibit strong cyclicality, reflecting the sensitivity of the logistics industry to global economic shocks. Large-scale and transportation firms suffered prolonged negative retained earnings in the early years, severely constraining internal financing capacity. The sharp recovery in 2024 marks an important turning point, helping to rebuild equity and restore investment potential. In contrast, warehousing and transportation support firms maintained consistently positive retained earnings, demonstrating superior resilience and more stable accumulation mechanisms.

Overall, the findings suggest the coexistence of two distinct financial development paths within Vietnam's logistics industry: (i) a capital-intensive, high-leverage growth model led by large transportation enterprises, accompanied by elevated financial risk; and (ii) a more balanced and sustainable growth model adopted by warehousing and logistics support firms, based on asset-light operations and steady internal capital accumulation.

References:

Bekaert, G., Harvey, C. R., & Lundblad, C. T. (2011). Financial openness and productivity. World Development, 39(1), 1-19. https://doi.org/10.1016/j.worlddev.2010.06.016

Buera, F. J., Kaboski, J. P., & Shin, Y. (2011). Finance and development: A tale of two sectors. American Economic Review, 101(5), 1964-2002. https://doi.org/10.1257/aer.101.5.1964

Chen, K., & Irarrázabal, A. (2015). The role of allocative efficiency in a decade of recovery. Review of Economic Dynamics, 18(3), 523-550 https://doi.org/10.1016/j.red.2014.09.008

Forbes, K. J. (2007). One cost of the Chilean capital controls: Increased financial constraints for smaller traded firms. Journal of International Economics, 71(2), 294-323. https://doi.org/10.1016/j.jinteco.2006.03.003

Hopenhayn, H., & Rogerson, R. (1993). Job turnover and policy evaluation: A general equilibrium analysis. Journal of Political Economy, 101(5), 915-938. http://dx.doi.org/10.1086/261909

Larrain, M., & Stumpner, S. (2017). Capital account liberalization and aggregate productivity: The role of firm allocation. The Journal of Finance, 72(4), 1825-1858. https://doi.org/10.1111/jofi.12497

Midrigan, V., & Xu, D. Y. (2014). Finance and misallocation: Evidence from plant-level data. American Economic Review, 104(2), 422-458. https://doi.org/10.1257/aer.104.2.422