


Asset Status of the ASEAN Listed Companies-Focusing on the COVID-19 Period

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***Corresponding author:** Sang Soo Chae, Research Professor, Public Policy Research Institute, Korea University, South Korea

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Jong Yun Lee¹ and Sang Soo Chae^{2*}

¹PHD, Institute of Economics and Statistics, Korea University, South Korea

²Research Professor, Public Policy Research Institute, Korea University, South Korea

Abstract

This study aims to analyze the current state of ASEAN listed companies in before and after of COVID-19. To this end, financial data of 4,583 listed companies in eight ASEAN countries from 2017 to 2021 are collected, and the number of listed companies, asset size such as Return on Assets (ROA), Return on Equity (ROE) and Sales. The results showed that the number of listed companies, asset size by country differed from each other in the ranking. The Philippines is the largest in terms of asset size, followed by Indonesia, Singapore and Thailand, while Malaysia, Indonesia and Thailand are the largest in terms of total assets. On the other hand, Singapore has the highest total revenue by country, followed by Indonesia, the Philippines and Thailand. Meanwhile, profitability of ASEAN companies has been gradually declining since 2017 and reached its lowest level during the COVID-19 pandemic in 2020. This study is the first of its kind to include firms from multiple ASEAN countries, and future studies should utilize this data.

Keywords: ASEAN; Listed firms; Profitability; ROA; ROE

Introduction

ASEAN countries have experienced high growth rates in the 21st century. From 2000-2023, ASEAN grew at an average annual rate of 5.0%, significantly exceeding the world average of 3.6% over the same period. ASEAN's high economic growth rate is the result of a combination of political and social stability and economic factors. First, the expansion of ASEAN membership to 10 countries in 1999 and the formalization of the economic community through the Bali Declaration in 2003 have significantly reduced political and diplomatic instability in the region. The combination of abundant natural resources, a young and abundant labor force, relatively low wages and the potential for economies of scale through market integration has made ASEAN an attractive investment destination for foreign investors. As ASEAN has sustained high economic growth rates, a number of research papers have been presented to explain this, but most of them analyze macroeconomic performance. Most of these studies analyze macroeconomic performance by estimating production functions and presenting the contribution of each factor of production or suggesting various institutional improvements [1-13].

In contrast, relatively few studies have utilized micro-firm data from ASEAN. Given the fact that economic growth is driven by increased production and that firms are the main agents of production, research using firm data is essential, but there are very few studies using firm data in the ASEAN region. While some studies have been conducted at the country level, there has not been much research on the ASEAN region as a whole.

There are several reasons for this lack of research on firms in ASEAN. First, economic analyses at the country level are generally more meaningful. This is because the size, characteristics and activities of firms reflect the economic structure and characteristics of individual countries, which requires a country-level study. Secondly, the activities of firms in

each country are strongly influenced by government policies, so the analysis of firms at the national level has policy utility. An important aspect of firm analysis is the analysis of the effects of government policy changes, which is meaningful when using specific country data.

Third, the analysis of regional economies that include multiple countries must reflect the characteristics of various national economies and policies, which is not physically easy. In regions such as ASEAN, where countries in the region have formed an economic community, it is not easy to select countries that reflect common characteristics and policies and even if they are selected, it is very difficult to conduct analyses that reflect their characteristics. Fourth, it is not easy to collect corporate data. Basically, corporate data is measured and published on a national level, so it is not easy to collect data from different countries. In general, corporate data is mainly based on listed companies and the financial data of listed companies is not unified and generalized. This study is the first study that attempts to overcome these problems. This study

examines firm performance using financial data from listed firms in the stock markets of eight ASEAN countries. In doing so, we perform the following tasks First, a baseline survey of ASEAN firms is conducted to examine the size, profitability of listed firms in each ASEAN country using time series data.

Landscape of ASEAN Listed Companies

Overview of listed companies

To examine the current status of ASEAN companies, we use data on 4,483 listed companies from nine ASEAN countries. As seen in Table 1, the total number of listed companies in ASEAN was 4,583 at the end of 2023, whose data was obtained from stock exchanges and annual reports of those companies in each country. For Indonesia, Vietnam, the Philippines and Thailand, the data was obtained from the respective stock exchanges, while for Singapore, Malaysia, Laos, Cambodia and Myanmar, the financial information was obtained from the respective annual reports of the companies, excluding some companies for which some data was not available.

Table 1: Listed companies of ASEAN by country (2023).

Country	Number of Companies		Asset		Sales	
	(unit)	ratio	(Bil. usd)	ratio	(Bil. usd)	ratio
Cambodia	11	0.2	12.2	0.2	0.6	0
Indonesia	929	20.7	1,457.50	21.8	405.8	25.1
Laos	7	0.2	7.9	0.1	0.1	0
Malaysia	1,018	22.7	628.6	9.4	67.7	4.2
Philippines	280	6.2	1,762.40	26.3	351.7	21.8
Myanmar	8	0.2	2.6	0	0.2	0
Singapore	600	13.4	1,093.40	16.3	410.9	25.5
Thailand	878	19.6	949.3	14.2	264.6	16.4
Vietnam	752	16.8	781.6	11.7	112.3	7

Source: Stock exchange of ASEAN member states.

The number of companies by country was 1,018 (22.7%) in Malaysia, 929 (20.7%) in Indonesia, 921 (19.6%) in Thailand, 752 (16.8%) in Vietnam, 625 (13.4%) in Singapore, 283 (6.2%) in the Philippines, 10 (0.2%) in Laos, 11 (0.2%) in Cambodia and 8 (0.2%) in Myanmar¹. The data were obtained from the stock exchanges and annual reports of companies in each country.

Table 2 shows average asset and revenue size of listed companies by Country in ASEAN of 2023. It tells that the Philippines has the highest total assets of listed companies at US\$176.2 billion, followed by Indonesia at US\$145.7 billion, Singapore at US\$109.3 billion and Thailand at US\$949.3 billion. In terms of total revenue by country, Singapore has the highest at \$41.9 billion, followed by

Indonesia at \$405.8 billion, the Philippines at \$351.7 billion and Thailand at \$264.6 billion. In 2023, the Philippines will have the largest average asset size of listed companies in ASEAN at US\$6.29 billion, followed by Lao PDR at US\$1.92 billion, Indonesia at US\$1.57 billion, Thailand and Cambodia at US\$1.0 billion, Vietnam at US\$1.06 billion, Malaysia at US\$6.2 billion and Myanmar at US\$3.3 billion. When looking at the average revenue of listed companies by ASEAN country, the Philippines is the largest at US\$1.26 billion, followed by Singapore with an average revenue of US\$700 million, Indonesia at US\$440 million, Thailand at US\$310 million, Vietnam at US\$160 million, Malaysia at US\$0.7 billion, Cambodia at US\$0.6 billion, Lao PDR at US\$0.4 billion and Myanmar at US\$0.3 billion.

¹The number of listed companies (4,583) was 4,483 for which financial data was available, covering 97.8% of all companies, while 100 companies without ETFs and annual reports were classified as unlisted and other and duplicate companies were removed.

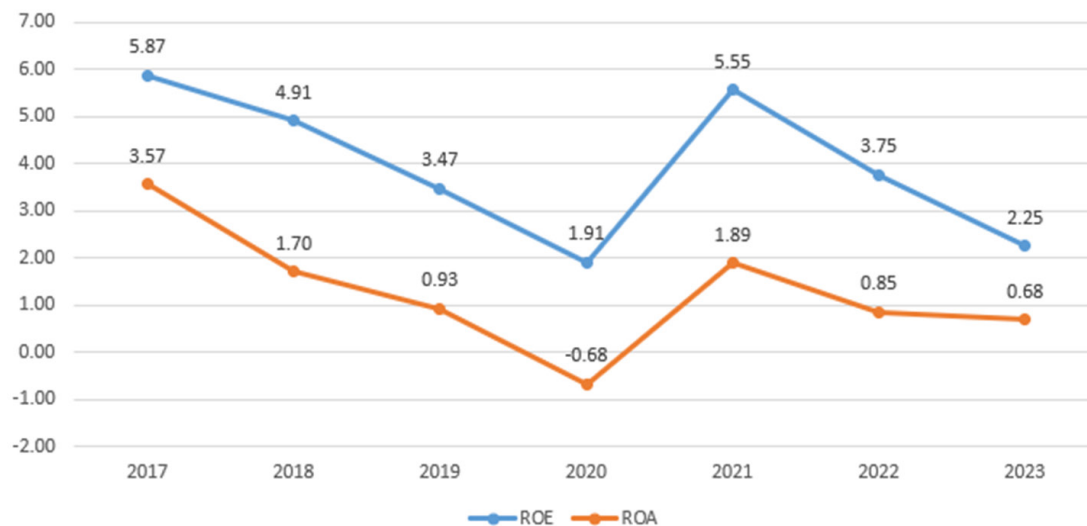
Table 2: Average asset and revenue size of listed companies by country (2023).

Country	Average Asset (Bil. usd)	Average Sales (Bil. usd)
Cambodia	1,107.90	55
Indonesia	1,568.90	436.8
Laos	1,977.10	36.1
Malaysia	617.5	66.5
Myanmar	329.9	30.9
Philippines	6,294.40	1,256.10
Singapore	1,862.60	710.8
Thailand	1,102.50	310.5
Vietnam	1,057.70	163.6

Source: Stock exchange of ASEAN member states.

The data on the number of listed companies in ASEAN, as well as their assets and revenues by country, can be interpreted as reflecting the characteristics of each country in the region. First, Malaysia has the largest number of listed companies, but the average asset size is actually not so large. This is a result of Malaysia's highly developed capital market, which allows even relatively small companies to list on the capital market. Second, Singapore is a developed country with a high per capita income, and the large size of individual company. This is because Singapore is a small country in terms of population and land area. Although it ranks fifth in terms of the number of listed companies after Malaysia, Indonesia, Vietnam and Thailand, the size of individual companies is equivalent to that of developed countries. Third, the Philippines has very large

assets and revenues of average individual listed companies, but a limited number of listed companies. This explains the fact that a few listed companies in Philippines dominates the economy and its unequal distribution of income. Fourth, Laos, Cambodia and Myanmar have a short history of capital market development and low GDP per capita, so the number of listed companies, assets and revenues are not yet large. However, Lao PDR and Cambodia have a small number of SOEs with large assets and their average assets are very large. However, their revenues are very small, which translates into low corporate productivity. To research Asset of ASEAN firms, we examined the average Return on Assets (ROA) and Return on Equity (ROE) of ASEAN firms, as shown in Figure 1.

**Figure 1:** Average Return on Assets (ROA) and Return on Equity (ROE) for ASEAN companies.

Source: Stock exchange of ASEAN member states.

The Figure 1 shows that the ROA and ROE of ASEAN companies on average have been declining across the board, reaching a minimum point in 2020. After reaching 3.57% in 2017, the average ROA in ASEAN gradually declined to -0.68% in 2020, before rising to 1.89% in 2021, followed by 0.86% in 2022 and 0.68% in 2023. ROE also declined gradually from 5.87% in 2017 to 1.91% in 2020,

before rising to 5.55% in 2021 and then to 3.75% in 2022 and 2.25% in 2023. This is a result of the overall growth process of ASEAN economies and the pandemic. While overall corporate profitability has been declining as ASEAN countries have experienced sustained high growth rates since the 2000s, the outbreak of the pandemic in 2020 led to a significant contraction in business activity,

resulting in a decline in both ROA and ROE in 2020. The subsequent macroeconomic recovery has seen an improvement in these profitability metrics.

Figure 2 shows the average ROA and ROE for each of the nine ASEAN countries. This shows the following interesting facts. First, Vietnam's ROA and ROE are both higher than other countries. Vietnam's ROA was 6.1% in 2017, the highest among ASEAN countries except Myanmar and the highest among ASEAN countries in 2018-2012. Second, Lao PDR's ROA and ROE are generally low, with the largest declines occurring in 2020 and 2012. Specifically,

Lao ROA fell to -6.6% in 2020 and 5.7% in 2021 before improving to 0.23% in 2023. ROE fell to -29.9% in 2021, the lowest among ASEAN countries during this period. Third, Singapore's ROA continues to be negative since the COVID-19 outbreak in 2020. After posting an ROA of 1.12% in 2018, it fell to -6.30% in 2020, before turning upwards to reach -4.32% in 2023. Fourth, Indonesia's ROA remained low until 2019, but was largely unaffected by the COVID-19 outbreak in 2020-21. In 2017, the ROA was 1.25%, the lowest among ASEAN countries and continues to be low at -0.39% in 2023 and -0.635 in 2024.

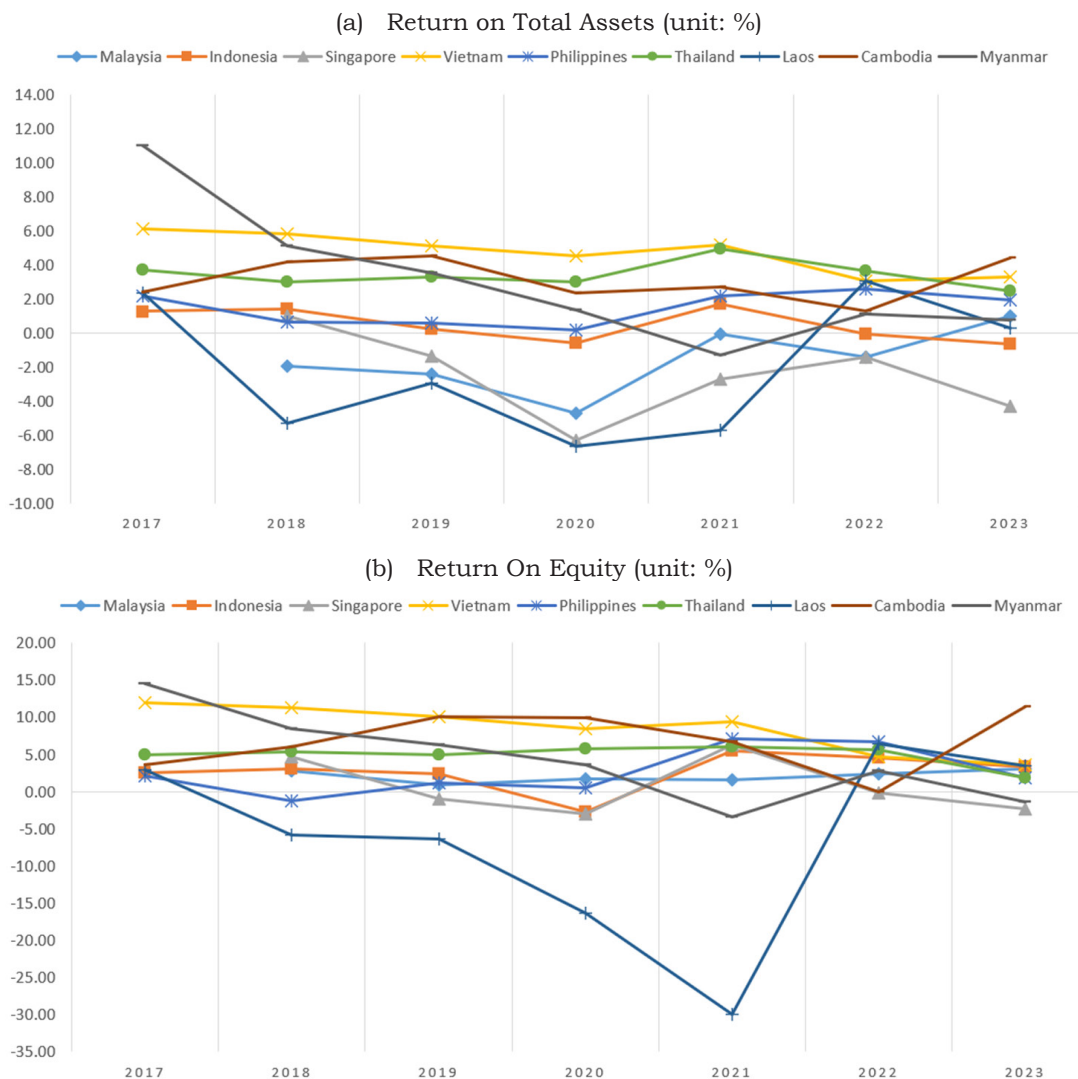


Figure 2: Corporate returns by ASEAN country. **Source:** Stock exchange of ASEAN member states.

Fifth, Thailand has shown the most relative stability over the period. Starting at 3.7% in 2017, its ROA has seen the least change, with a low of 2.47% in 2024 and a high of 4.91% in 2021. Sixth, ROA in the Philippines has gradually improved since 2020. The Philippines' ROA declined from 2.14% in 2017 to 0.19% in 2020, but gradually increased and recovered to 1.92% in 2023. These observations are reflecting some characteristics of ASEAN

economies. During this period, Vietnamese firms with high economic growth showed the highest profitability indicators, while Singapore, with the highest income, showed the lowest profitability indicators. Lao PDR's very low profitability is likely due to supply chain issues following the Covid-19 outbreak, as the country does not produce essential commodities such as oil and gas. Indonesia, on the other hand, is a relatively large exporter of resources, which

means that corporate profitability was not significantly impacted during the pandemic in 2020. In addition, corporate profitability in Thailand, which has a stable economy, did not change significantly.

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