

# An Evaluation of the Financial Performance of Logistics Companies in Malaysia using the Zmijewski Model

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## INTRODUCTION & AIM

The logistics industry plays a vital role in supporting economic growth by facilitating the efficient movement of goods and services and is a key component of Malaysia's supply chain and trade activities. However, logistics companies are highly exposed to operational risks, economic fluctuations, and financial uncertainties, particularly during challenging periods such as the COVID-19 pandemic and its aftermath from 2020 to 2024. Without systematic financial evaluation, stakeholders such as investors, management, and policymakers may face difficulties in identifying financially healthy and distressed companies. The purpose of this study is to assess the financial performance of logistics companies listed on Bursa Malaysia from 2020 to 2024 using the Zmijewski model.

## METHOD

This study uses the Zmijewski model to determine the financial performance of logistics companies. A total of 28 logistics companies listed on Bursa Malaysia were evaluated over the period from 2020 to 2024.

## RESULTS & DISCUSSION

The findings indicate that 24 companies remained financially healthy throughout the five-year period, representing 85.71% of the sampled firms. The results suggest that the majority of logistics companies maintained sound financial conditions despite economic challenges during the study period. The financially unhealthy companies may use the financially healthy firms as benchmarks to improve their financial performance in the future.

## CONCLUSION

This study shows that 24 out of the 28 companies remained financially healthy throughout the period from 2020 to 2024. Overall, the financial performance of the logistics companies was stable and satisfactory. The findings of this study are significant as they assist investors in making informed investment decisions, enable company management to benchmark their financial performance for future improvement, and support policymakers in understanding the financial resilience of the logistics sector.

## FUTURE WORK / REFERENCES

The financial performance of logistics companies can be evaluated using various models to provide a more comprehensive assessment of their financial condition.