

ANALYSIS OF FINANCIAL PERFORMANCE AT PT. INDOFOOD SUSKSES MAKMUR Tbk IN MAKASSAR

Hardiyono ^{1*}, Maria Yessica Halik²

¹⁾ STIE Amkop Makassar

²⁾ Universitas Kristen Indonesia Paulus

E-mail korespondensi: dyonsrj@gmail.com ¹

Abstrak

Analisis Kinerja Keuangan Pada PT. Indofood Sukses Makmur Tbk. Penelitian ini bertujuan untuk menilai kinerja keuangan PT. Indofood Sukses Makmur tahun 2018 sampai dengan 2021 dengan menggunakan metode analisis data rasio likuiditas, rasio solvabilitas, rasio aktivitas, dan rasio profitabilitas. Jenis penelitian yang digunakan dalam penelitian ini adalah data kuantitatif yang bersumber pada data sekunder. Hasil penelitian menjadi : 1) tingkat likuiditas, yang ditinjau dari rasionya dikategorikan cukup baik. 2) tingkat solvabilitas yang ditinjau dari rasionya dikategorikan baik. 3) tingkat aktivitas yang ditinjau dari rasionya dikategorikan baik. 4) tingkat provitabilitas yang ditinjau dari rasionya dikategorikan sangat baik.

Kata kunci: Rasio likuiditas, Rasio solvabilitas, Rasio aktivitas, Rasio profitabilitas.

Abstract: Financial Performance Analysis at PT. Indofood Sukses Makmur Tbk. This research aims to assess the financial performance of PT. Indofood Sukses Makmur from 2018 to 2021 using the data analysis method of liquidity ratios, solvency ratios, activity ratios, profitability ratios and profitability ratios. The type of research used in this research is quantitative data sourced from secondary data. The results of the research are: 1) the level of liquidity, which in terms of the ratio, is categorized as quite good. 2) the level of solvency in terms of the ratio is categorized as good. 3) the level of activity in terms of the ratio is categorized as good. 4) the level of profitability in terms of the ratio is categorized as very good.

Keywords: Liquidity ratio, solvency ratio, activity ratio, profitability ratio.

INTRODUCTION

As the business world continues to develop, competition between companies also increases. In order to survive in the business world, every company must be careful in making decisions, especially in the financial sector. This is because the success or failure of a business really depends on the quality of decisions related to finance.

For every company, large or small, that is profit-oriented, it will have great attention to the finances of the company (J. B. Halik, Sasabone, et al., 2024). Liquidity is the ability of a company or business to meet its short-term obligations, such

as paying staff salaries and operational costs for the company. The performance of a company is the result of a series of activities carried out by that company over a certain period of time. One of the information that can be used to know and measure the performance of a company is a financial report. To assess the financial performance of a company, we can find out through the company's financial report which is obtained from the balance sheet, profit and loss calculation report. And financial financial reports are also very important for assessing the company's performance and financial results (M. Y. Halik et al., 2023). By analyzing the balance

sheet results and profit and loss reports of a company, we can develop a picture of the financial situation and financial development that can be used for that company (Wattilete, 2023).

(Kasmir, 2018) proposed that resources are a company's long-term assets and determine not only the advantages of a company but also the market opportunities it can offer. In the absence of policy regulations that can maintain financial continuity in terms of liquidity ratios, this can be immediately met by the company's short-term survival (J. B. Halik, Rantererung, et al., 2024; Silioktaviani et al., 2023).

Based on the description above, the author wants to know about the development of the financial conditions of one of the companies in the city of Makassar, namely PT. Indofood Sukses Makmur Tbk. We summarize the company's financial reports for the last 4 years in table 1 below.

Table 1. Financial data of PT Indofood Sukses Makmur for 2018-2021

In trillions of Rupiah				
Years	2018	2019	2020	2021
Assets	79,990	79,207	141,631	158,190
Liability	46,376	41,429	99,257	109,925
Equity	33,614	37,778	42,374	48,265
Revenue	73,395	76,593	81,731	99,345
Operating profit	8,335	9,934	13,217	17,414
Net profit after tax	4,166	4,908	6,455	7,642
Economic Profitability	10,42%	12,54%	9,33%	11,01%
Profitability of own capital	12,39%	12,99%	15,23%	15,83%

Source: PT Indofood Sukses Makmur Tbk, 2022

From the description in table 1 we can see that economic profitability fluctuates and from 2019 to 2020 experienced a very drastic decline, and we can see that the profitability of capital itself from 2018 to 2021 continues to increase. Based on the profitability phenomenon, the author is interested in conducting research with the title "ANALYSIS OF FINANCIAL PERFORMANCE AT PT INDOFOOD SUKSES MAKMUR Tbk".

METHODS

Research Site and Time

The research period lasted from October 2022 to December 2022, which included

collecting the necessary data and preparing the research report. Meanwhile, to obtain research data, the author chose the research location at PT. INDOFOOD SUKSES MAKMUR Tbk located in Makassar.

Data Types and Sources

The type of data used is secondary data, namely the financial reports of PT. Indofood from the Indonesian Stock Exchange. This research itself is quantitative research. The data source used in this research is the official website of PT. Indofood Sukses Makmur namely <https://id.investing.com/equities/indofood-s-m-t-balance-sheet> and the Indonesian Stock Exchange.

Method of collecting data

The author obtained the data in this research by taking data from the official PT website. Indofood Sukses Makmur Tbk as well as data from the Indonesian Stock Exchange.

Data Analysis Methods

The analytical method used to discuss the problem in this research is a quantitative method, namely a method that explains and explains the results of financial ratio calculations, namely as follows:

1. Liquidity Ratio
 - a. The current ratio is used to measure how far a company's current assets can be used to meet its current obligations (Kasmir, 2018). This ratio is expressed as follows:

Current Ratio =

$$\frac{\text{Current Asset}}{\text{Current Liabilities}} \times 100\%$$

- b. Quick Ratio, used to measure how much a company can cover its liabilities, without having to liquidate or depend on inventory (Kasmir, 2018), the formula is expressed as follows:

Quick Ratio =

$$\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}} \times 100\%$$

- c. The cash ratio is used to show a company's ability to pay short-term debt

with cash and securities that can be immediately cashed in, the formula is stated as follows (Kasmir, 2018) :

$$\text{Cash Ratio} = \frac{\text{Cash}}{\text{Current Liabilities}} \times 100\%$$

2. Solvency Ratio

a. Debt to Total Assets Ratio

$$= \frac{\text{total Debt}}{\text{total Assets}} \times 100\%$$

b. Debt to Capital/Equity Ratio

$$= \frac{\text{total debt}}{\text{Owner's equity}} \times 100\%$$

c. Long-term Debt to capital ratio

$$= \frac{\text{long - term debt}}{\text{owner's equity}} \times 100\%$$

3. Activity Ratio

a. Asset turnover = $\frac{\text{sales}}{\text{total assets}} \times 1 \text{ time}$

b. Working Capital Turnover =

$$\frac{\text{Sales}}{\text{Current Asset}} \times 1 \text{ time}$$

c. Cash turnover = $\frac{\text{Net Sales}}{\text{Cash}} \times 1 \text{ time}$

d. Receivables Turnover =

$$\frac{\text{Sales}}{\text{Receivables}} \times 1 \text{ time}$$

e. Inventory turnover =

$$\frac{\text{Cost of goods sold}}{\text{Inventory}} \times 1 \text{ time}$$

4. Profitability Ratio

a. Profit margin=

$$\frac{\text{Operating Profit}}{\text{Sales}} \times 100\%$$

b. Nett Profit Margin =

$$= \frac{\text{Earning after Tax}}{\text{Sales}} \times 100\%$$

c. Return on Equity =

$$\frac{\text{Earning after Tax}}{\text{Own Capital}} \times 100\%$$

RESULT AND DISCUSSION

The analysis quoted from the balance sheet and profit and loss report of PT Indofood Sukses Makmur Tbk for 2018 - 2021 is as follows.

Table 2
PT Indofood Sukses Makmur Tbk
BALANCE SHEET (In Millions of Rupiah) 2018-2021

DESCRIPTION	YEARS			
	2018	2019	2020	2021
Current Assets				
Cash and cash equivalents	12,928,189	13,800,610	17,338,235	30,631,763
Receivables	6,572,676	5,964,410	7,451,670	8,464,306
Inventory	11,644,156	9,658,705	11,150,432	12,683,836
Total Current Assets	31,145,021	29,423,725	35,940,337	51,779,905
Fixed assets	42,388,236	43,072,504	47,369,217	48,221,750
Goodwill	4,320,534	4,699,319	56,462,875	56,462,875
Intangible Assets	2,136,679	2,011,090	1,858,998	1,725,760
Total Fixed Assets	48,845,449	49,782,913	105,691,090	106,410,385
TOTAL ASSETS	79,990,470	79,206,638	141,631,427	158,190,290
Accounts payable	8,966,942	10,664,681	14,175,575	27,097,683
Short Term Debt	22,237,160	14,022,181	13,800,300	13,305,721
Amount of Current Debt	31,204,102	24,686,862	27,975,875	40,403,404
Long-term debt	15,172,088	16,741,828	71,281,254	69,522,159
Equity (own capital)	33,614,280	37,777,948	42,374,298	48,264,727
Total Passiva	79,990,470	79,206,638	141,631,427	158,190,290
Total Amount of debt	46,376,190	41,428,690	99,257,129	109,925,563

Source: Indonesian Stock Exchange, 2022

Table 3
Profit and Loss Statement (In Millions of Rupiah)
2018-2021

Description	Years			
	2018	2019	2020	2021
Income	73,394,728	76,592,955	81,731,469	99,345,618
Revenue Expenses	53,182,723	53,876,594	54,979,425	66,881,557
Gross profit	20,212,005	22,716,361	26,752,044	32,464,061
Administrative Expenses	11,876,486	12,781,881	13,535,154	15,050,114
Operating Profit (EBIT)	8,335,519	9,934,480	13,216,890	17,413,947
Interest expense	1,553,151	1,727,018	1,875,812	2,842,883
Profit before tax	6,782,368	8,207,462	11,341,078	14,571,064
Tax	2,616,267	3,299,290	4,885,446	6,928,867
Net Profit	4,166,101	4,908,172	6,455,632	7,642,197

Source: Indonesian Stock Exchange, 2022

Liquidity Ratio

a. Current Ratio

The results of the calculation of the current ratio of PT Indofood Sukses Makmur, Tbk from 2018 - 2021 are presented in table 4 below.

Table 4.
Current Ratio PT. Indofood Sukses Makmur
2018-2021

Years	Current Ratio (%)
2018	99.81%
2019	119.19%
2020	128.47%
2021	128.16%

Source: Self Processed data, 2022

Table 4 shows the period from 2018 to 2020. Viewed from the current ratio, it shows fluctuating or upward movements. The current ratio for 2018 to 2020 tends to increase significantly. But in 2021 it experienced a decline. This means that in 2018 it was 99.81% due to current debt being greater than current assets, which means that every 1.00 of current debt is guaranteed by IDR 99 of current assets. Based on this, PT Indofood Sukses Makmur is expected to further increase its current assets.

b. Quick Ratio

The author presents the results of data processing from the Quick Ratio in Table 5 below.

Table 5
PT Indofood Sukses Makmur Quick Ratio
2018-2021 period

Years	Quick Ratio (%)
2018	62.49%
2019	80.06%
2020	88.61%
2021	96.76%

Source: Self Processed Data, 2022

Table 5 shows that the quick ratio in 2018 was 62.49%, in 2019 it was 80.06%, then in 2020 it was 88.61% and in 2021 it was 96.76%. This shows an increase in the quick ratio from 2018 - 2021. This is due to an increase in current activity compared to current debt. This shows that the company's ability has increased in its ability to pay its debts.

c. Cash Ratio

The author presents the results of the Cash Ratio calculation in table 6 below.

Table 6
Cash Ratio PT. Indofood Sukses Makmur
Period 2018-2021

Years	Cash Ratio (%)
2018	41.43%
2019	55.90%
2020	61.98%
2021	75.81%

Source: Self Processed Data, 2022

Table 6 shows the cash ratio from 2018 of 41.43% to 2019, the cash ratio increased by 55.90%. In 2020 it increased by 61.98% and in 2021 it continues to show a significant increase to 75.81%. This indicates that the amount of cash has increased more than the company's current debt.

Solvency Ratio

This ratio shows the amount of a company's assets funded by the company's money (Kasmir, 2018). This means how much debt the company carries compared to the assets it owns. This ratio includes:

a. Debt to total assets ratio

The author carried out calculations on the ratio of debt to total assets and the data is presented in table 7 below.

Table 7
Debt to Total Asset Ratio of PT Indofood Sukses
Makmur
2018-2021 period

Years	Debt to Total Assets Ratio (%)
2018	57.98%
2019	52.30%
2020	70.08%
2021	69.49%

Source: Self-processed data, 2022

Table 7 shows the ratio of debt to total assets of PT Indofood Sukses Makmur from 2018 of 57.98%, in 2019 of 52.30%. In 2020 it was 70.08% and in 2021 it was 69.49%. This shows that in 2018-2019 there was a decrease in the debt to assets ratio. In 2020, the debt to assets ratio showed an increase again, and in 2021 it fell again. In 2018-2019 there was a decline as a result of the decrease in total assets being smaller than

the decrease in company debt, in 2019-2020 it again showed an increase as a result of the increase in company assets being greater than the increase in company debt.

b. Debt to capital/equity ratio

After calculating and processing company data, the author presents the results of calculating the Debt to Capital/Equity Ratio of PT Indofood Sukses Makmur in table 8 below.

Table 8
Debt to Capital/Equity Ratio
PT Indofood Sukses Makmur
2018-2021 period

Years	Debt to Capital/Equity Ratio (%)
2018	137.97%
2019	109.66%
2020	234.24%
2021	227.76%

Source: Self-Processed Data, 2022

Table 8 shows the debt to capital ratio of PT Indofood Sukses Makmur. In 2018 it was 137.97%, in 2019 it was 109.66% which shows a decrease compared to the previous year. This means that in 2019 the company's capital is smaller than the company's debt, so the company's ability to fulfill its obligations with existing capital is very poor. In 2020 there was another increase to 234.24%, which means that year was quite good.

c. Long-term Debt to Capital Ratio

The debt to equity ratio is useful for the company itself as well as for outside parties who have interests, such as investors or lenders. The aim is to measure how much of each rupiah of own capital is used as collateral for long-term debt by comparing long-term debt with the own capital provided by the company (Kasmir, 2018). This can be seen in table 9 below.

Table 9
Long Term Debt to Capital Ratio
PT Indofood Sukses Makmur
2018-2021 period

Years	Long Term Debt to Capital Ratio (%)
2018	45.14%
2019	44.32%
2020	168.22%
2021	144.04%

Source: Self-processed Data, 2022

In 2020, company shows the healthiest financial conditions, where 168.22% of the company's debt can be covered by the capital they have. Even though the 2021 equivalent has decreased to 144.04%, this condition can still be categorized as good because it is still above 100%.

d. Profit Margin

Profit margin from PT Indofood Sukses Makmur Tbk from 2018 - 2021 can be seen in table 10 below

Table 10
Profit Margin PT Indofood Sukses Makmur Tbk
2018-2021 period

Years	Profit Margin (%)
2018	11.36%
2019	12.97%
2020	16.17%
2021	17.53%

Source: Self-Processed Data, 2022

Table 10 above shows the profit margin after the author carried out calculations using the ratios previously explained. The ideal standard set by the regulations of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia is above or equal to 15%. The value of the profit margin owned by PT Indofood Sukses Makmur increased every year from 2018 to 2021, but in 2018 to 2019, this year was still below the ideal standards that had been set. In 2020 it was 16.17% and in 2021 it was 17.53%. This value is above the ideal standard that has been set.

Activity ratio

The activity ratio is a ratio used to measure a company's effectiveness in utilizing all its assets or resources in carrying out activities in the company's daily operational activities. The activity ratio can be used to assess or measure the intensity and effectiveness of company assets in generating sales.

a. Asset turnover

Asset turnover (Total Asset Turnover) is a comparison between sales and total assets. Total asset turnover (Total Asset Turnover) measures the ability of funds embedded in the Company's assets to rotate in one period (Riyanto, 2008). Total asset turnover (Total Asset Turnover) also shows the company's ability to manage company assets to generate sales. The higher the Company's asset turnover (Total Asset Turnover), the faster the funds embedded in assets rotate in one period, and also shows the increasing ability of the Company to manage assets to generate sales.

Table 11 depicts asset turnover from 2018 to 2021.

Table 11
PT Indofood Sukses Makmur's Asset Turnover
2018-2021 period

Years	Assets Turnover
2018	0.92
2019	0.97
2020	0.58
2021	0.63

Source: Self-processed Data, 2022

Table 11 shows that asset turnover from 2018 to 2021 is in poor condition. This is because the asset turnover is less than 1 time. In 2018, asset turnover was 0.92 times, which means that every Rp. 1.00 of asset turnover only contributed to creating Rp. 0.92 of sales.

b. Working capital turnover

Table 12 shows the working capital turnover for 2018 – 2021 based on the author's calculations from existing data.

Table 12
PT Indofood Sukses Makmur Working Capital
Turnover
2018-2021 period

Years	Working Capital Turnover
2018	2.36
2019	2.60
2020	2.27
2021	1.92

Source: Self-processed Data, 2022

Table 12 shows that working capital turnover in 2018 was 2.36 times, in 2019 it was 2.60, in 2020 it was 2.27, and in 2021 it was 1.92, in 2018 to 2020 working capital turnover fluctuated. The table above illustrates that working capital turnover is relatively good because the turnover is more than 1 time.

c. Cash turnover

The higher the cash turnover, the higher the efficiency of cash use. But cash turnover that is too high can indicate that the amount of cash available is too small for activities in the company's operational activities. Based on the data that the author obtained, the author calculated the cash turnover of PT Indofood Sukses Makmur, and the results are as in table 13 below.

Table 13
PT Indofood Sukses Makmur's Cash Turnover
2018-2021 period

Years	Cash Turnover
2018	5.68
2019	5.55
2020	4.71
2021	3.24

Source: Self-processed Data, 2022

Cash Turnover (CTO) is a comparison between sales and the average value of cash owned by the company.

In 2018, the CTO was 5.68, meaning that the funds embedded in overall cash on average in one year rotated 5.68 times, or every rupiah of cash during the year could generate sales of Rp. 5.88. The lowest cash turnover was in 2021, which means that the funds embedded in overall cash on average in one year rotated 3.24 times, or every rupiah of cash during the year could generate sales of Rp. 3.24.

d. Receivables turnover

Receivable Turnover is a comparison between credit sales and average receivables. Receivable Turnover measures the ability of funds embedded in receivables to rotate within a period (Moridu et al., 2021). The faster Receivable Turnover indicates the faster collection of receivables from customers or consumers, thereby increasing the opportunity for the company to earn profits which can increase the company's profitability. The results of the author's accounts receivable turnover calculation are presented in table 14 below

Table 14
PT Indofood Sukses Makmur's Receivables
Turnover
2018-2021 period

Years	Receivables Turnover
2018	11.17
2019	12.84
2020	10.97
2021	11.74

Source: Self-processed Data, 2022

Table 14 shows that PT Indofood Sukses Makmur's receivable turnover from 2018 was 11.17 times, increased in 2019 to 12.84 times, and in 2020 it fell to 10.97 times, in 2021 it rose to 11.74 times. This means that the turnover of receivables during the year under study was classified as poor because in a year the turnover of receivables was 11.17 times, 12.84 times, 10.97 times, and 11.74 times which should be 12 times (± 12 months). This may be caused by the credit and collection department working ineffectively or perhaps there is a change in credit granting policy.

e. Inventory turnover

According to (Kasmir, 2018), inventory turnover in a company shows the company's performance in its operational activities. The higher the inventory turnover rate, the greater the possibility that the company will make a profit. Likewise, if the inventory turnover rate is low, it is likely that the company will make a profit. Inventory turnover shows how many times the funds embedded in inventory can rotate in a certain period. The higher the turnover rate, the greater the amount of funds embedded in inventory. The results of the author's calculation of inventory turnover in PT Indofood Sukses Makmur are presented in table 15 below.

Table 15
PT Indofood Sukses Makmur Inventory Turnover
2018-2021 period

Years	Inventory Turnover
2018	4.57
2019	5.58
2020	4.93
2021	5.27

Source: Self-processed Data, 2022

Inventory turnover shows how many times the funds embedded in inventory can rotate in a certain period. The higher the turnover rate, the greater the amount of funds embedded in inventory. Inventory turnover in 2019 was the

highest, namely 5.58 times, and the lowest was in 2018, namely 4.57 times.

Profitability Ratio

The ability to earn profits is usually measured from one's own capital or from all funds invested in the company. Profitability describes the income a company has to finance investments. Profitability shows the ability of the capital invested in all assets to generate profits for investors. Profitability is a factor considered in determining a company's capital structure (Daud et al., 2023). Companies that have high profitability tend to use relatively small debt because high retained earnings are sufficient to finance most funding needs (M. Y. Halik et al., 2023). To measure the profitability ratio, look at the profit margin and net profit margin as follows.

a. Profit Margin

Profit margin is the percentage of net profit a company obtains from revenue or sales. This percentage shows the company's efficiency in generating profits during the operating period (Nurlia et al., 2018). The author presents the results of PT Indofood Sukses Makmur's Profit Margin calculations in table 16 below

Table 16
Profit Margin PT Indofood Sukses Makmur
2018-2021 period

Years	Profit Margin (%)
2018	11.36%
2019	12.97%
2020	16.17%
2021	17.53%

Source: Self-processed Data, 2022

Table 16 above shows the profit margin after the author carried out calculations using the ratios previously explained. The ideal standard set by the regulations of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia is above or equal to 15%. The value of the profit margin owned by PT Indofood Sukses Makmur increased every year from 2018 to 2021, but in 2018 to 2019, this year was still below the ideal standards that had been set. In 2020 it was 16.17% and in 2021 it was 17.53%. This value is above the ideal standard that has been set.

b. Net profit margin

Net profit margin is a financial ratio that measures how efficient a company is in generating net profit from total revenue. The higher the net profit margin, the more effective the company is at managing costs and generating higher net profits from their revenues.

The formula for calculating Net Profit Margin is $\text{net profit} : \text{net sales} \times 100$. The author presents the results in table 17 below.

Table 17
Net Profit Margin PT Indofood Sukses Makmur
2018-2021 period

Years	Net Profit Margin (%)
2018	5.68%
2019	6.41%
2020	7.90%
2021	7.69%

Source: Self Processed Data, 2022

In table 17 Net profit margin in 2018 to 2021 is good because income is high enough so that all costs can be covered by income.

c. Economic Profitability

Economic profitability is the ability to generate profits from all capital, both foreign capital and own capital, which is used to generate profits. The results of the calculation of economic profitability are presented in table 18 below.

Table 18
Economic profitability of PT Indofood Sukses
Makmur, Tbk 2018-2021 period

Years	Economic Profitability (%)
2018	10.42%
2019	12.54%
2020	9.33%
2021	11.01%

Source: Self Processed Data, 2022

Based on the calculation of economic profitability in 2018, the percentage obtained was 10.42%, which used assets of IDR 79,990,470. This value itself means that the increase in profit obtained for every Rp. 1 can produce an increase of 10.42%. Based on the calculation of economic profitability in 2019, the percentage obtained was

12.54%, where the use of assets was IDR 79,206,638. This value itself means that the increase in profits obtained for every Rp. 1 can produce an increase in profits of 12.54%

Based on the calculation of economic profitability in 2020, a percentage of 9.33% was obtained, using assets of IDR 141,631,427. This value itself means that the increase in profit obtained for every Rp. 1 can produce an increase of 9.33%. Based on the calculation of economic profitability in 2021, the percentage obtained is 11.01%, where the use of selbelsar assets is IDR 158,190,290. This value itself means that the increase in profit obtained for every Rp. 1 can produce an increase of 11.01%.

It can be seen from the economic profitability in 2018 which was 10.42%, while in 2019 it increased to 12.54%. This is because operating profit increased that year. In 2020, economic profitability decreased to 9.33%, which was due to the increase in total assets being greater than the increase in operating profit. In 2021 economic profitability increased to 11.01%, this was due to the increase in operating profit increasing rapidly.

CONCLUSION

Based on the results of data analysis and discussions carried out at PT Indofood Sukses Makmur from 2018 to 2021, the following conclusions were obtained.

1. The development of financial performance seen from the liquidity ratio shows that PT Indofood is in quite good condition. In this case, PT Indofood has been able to fulfill its current obligations because its current assets are high compared to its current liabilities.
2. The development of financial performance seen from the Solvability Ratio illustrates that PT Indofood Sukses Makmur is in a good position. This can be seen from the debt to equity because it is in the range of 100% and is balanced between total debt and capital.
3. The development of financial performance seen from the Activity Ratio shows that PT Indofood Sukses Makmur is in a good position, because its income is high enough to be able to carry out its obligations.
4. The development of financial performance seen from the Profitability Ratio illustrates that PT Indofood Sukses Makmur is in a very good position. This can be seen in each ratio where

the total assets in terms of operational management can be managed well to obtain income (profit).

5. The development of financial performance seen from the economic profitability ratio shows that PT Indofood Sukses Makmur is in a poor position and has decreased drastically in 2020 and 2021.

SUGGESTION

1. To further increase the liquidity of PT Indofood Sukses Makmur, this can be done with the issuer's performance or reducing current debt so that obligations can be fulfilled.
2. To maintain the solvency of PT Indofood Sukses Makmur, this can be done by increasing the capital it has so that it can pay off its obligations. Apart from that, PT Indofood Sukses Makmur must also be able to manage its assets well so that its performance runs well and all obligations can be fulfilled.
3. To produce a better activity ratio, PT Indofood Sukses Makmur can do this by reducing the assets it owns or managing assets well so that it can generate and increase greater income (profit) and maintain assets.
4. To maintain profitability, PT Indofood Sukses Makmur can strive to increase revenue or reduce operational costs.
5. To increase economic profitability, companies must increase asset turnover by increasing income or reducing the increase in assets.

BIBLIOGRAPHY

- Daud, M., Nurlia, N., Lintang, J., & Halik, J. B. (2023). How is Financial Literacy at PT . Moya Indonesia. *Journal of Management*, 2(2), 159–164. <https://myjournal.or.id/index.php/JOM/article/view/55>
- Halik, J. B., Rantererung, C. L., Sutomo, D. A., Rasinan, D., Daud, M., & Todingbua, M. A. (2024). *Era Disruptif* (J. B. Halik (ed.); 1st ed.). CV. Adanu Abimata. https://books.google.co.id/books?hl=en&lr=&id=kKUDEQAAQBAJ&oi=fnd&pg=PA179&ots=GVM0GTeahE&sig=ixF8ruUsRR4KmAtdE_GYwrlvO4k&redir_esc=y#v=onepage&q&f=false
- Halik, J. B., Sasabone, L., Dezi, A., & Sipi, S. (2024). Pelatihan Pengelolaan Keuangan Rumah Tangga di Desa Sesean , Kabupaten Toraja Utara. *Publikasi Hasil Pengabdian Kepada Masyarakat (PADIMAS)*, 3(2), 51–56. <https://jurnal.mdp.ac.id/index.php/padimas/article/view/6554>
- Halik, M. Y., Todingbua, M. A., Wattilete, L. C., & Somalinggi, E. (2023). ANALISIS LIKUIDITAS PADA PT BANK DANAMON Tbk. *Journal of Marketing Management and Innovative Business Review*, 01(1), 42–47. <https://www.ojsapaji.org/index.php/mariobre/article/view/166>
- Kasmir. (2018). *Analisis Laporan Keuangan*. Depok: PT. RajaGrafindo Persada.
- Moridu, I., Putri, D. E., Posumah, N. H., Suciati, R., Nugraheni, S., Sudarmanto, E., Rosyid, A., Fadila, A., Emma, Muniarty, P., Amirulmukminin, Bagiana, I. K., Azizi, M., Noekent, V., Koerniawati, D., Krisnanto, B., Ihwanudi, N., Lestari, A. S., Utomo, K. P., & Hartoto. (2021). *Manajemen Keuangan Internasional*. Bandung: Widina Bhakti Persada.
- Nurlia, Sukimin, & Eloiza, Y. A. (2018). Pengaruh Perputaran Piutang, Perputaran Total Aktiva dan Perputaran Modal Kerja terhadap Net Profit Margin Lembaga Pembiayaan Non Bank yang Terdaftar di Bursa Efek Indonesia. *Jurnal GeoEkonomi*, 9(2), 88–99.
- Silioktaviani, S., Todingbua, M. A., & Mongan, C. J. (2023). Analisis Value At Risk Dengan Menggunakan Metode Historical Simulation Dalam Sub Sektor Makanan Dan Minuman. *YOS SOEDARSO ECONOMICS JOURNAL (YEJ)*, 5(2), 94–108.
- Wattilete, L. C. (2023). COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE IN TELECOMMUNICATION SECTOR COMPANIES. *Journal of Entrepreneur, Business and Management*, 1(2), 133–149. <https://doi.org/10.37531/jebm.v1i2.54>