

The Effect Of Profitability, Leverage, And Liquidity On Company Value In The Listed Health Sector On The Indonesian Stock Exchange 2020–2024 Period

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Abstract

This study aims to analyze the effect of Profitability (ROA), Leverage (DER), and Liquidity (CR) on Firm Value (PBV) in healthcare sector companies listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period. The research method used is a quantitative approach with multiple linear regression analysis. The research population is all healthcare sector companies listed on the IDX totaling 38 companies, while the sample was obtained through a purposive sampling technique of 13 companies with a total of 65 observations. Data sourced from the company's annual financial reports accessed through www.idx.co.id. The results of the study show that: (1) Profitability (ROA) has a positive and significant effect on Firm Value (PBV) with a coefficient of 7.6180 and sig. 0.000; (2) Leverage (DER) has a negative and significant effect on Firm Value (PBV) with a coefficient of -0.4785 and sig. 0.000; (3) Liquidity (CR) has a positive and significant effect on Firm Value (PBV) with a coefficient of 0.0960 and sig. 0.028; and (4) Profitability, Leverage, and Liquidity simultaneously have a significant effect on Firm Value with a calculated F of 28.892 and sig. 0.000. The Adjusted R Square value of 0.567 indicates that the three independent variables are able to explain 56.7% of the variation in Firm Value. This study concludes that healthcare sector companies need to optimize profitability, manage debt structures wisely, and maintain adequate liquidity levels to increase the firm's value in the eyes of investors.

Keywords: Profitability, Leverage, Liquidity, Firm Value, PBV, ROA, DER, CR



INTRODUCTION

Development market capital in Indonesia show improvement Which The Indonesian Stock Exchange (IDX) serves as a platform for companies to obtain funding and serves as an indicator of investor confidence in their performance. One sector experiencing significant growth is the healthcare sector, particularly since the COVID-19 pandemic began in 2020 .

The COVID-19 pandemic has significantly impacted companies in the healthcare sector in Indonesia. Many healthcare companies experienced fluctuating profits post-COVID-19, including PT. Sido Muncul Tbk, whose net profit decreased by 1.6%. 12.4% to Rp1.10 trillion after the pandemic in 2019 2022, down from Rp1.26 trillion on year 2021. Decline participate happen on margin profit Net profit increased from 31.4 percent in 2021 to 28.6 percent in 2022 (PT. Sido Muncul, 2022). The post-COVID-19 impact on the company's financial performance influenced this factor. The company continued to experience a decline in net profit despite efforts to improve its performance through various business strategies, as demonstrated by sales segmentation. This indicates that PT. Sido Muncul still faces many challenges following the COVID-19 pandemic.

Despite the challenges after the pandemic, companies must be able to survive by strengthening their corporate values. A company, as a financial entity, has both long-term and short-term goals. In the long term, the company aims to maximize its value. In the short term, the company's goal is to... maximize profit with use resource Which available. At the moment information finance in the form of profit just No Enough For ensure sustainability A company's value is not only a company's value, but it must also provide other information that stakeholders need when making decisions (Cakranegara, Rahadi, & Sinuraya, 2020). A company's value is a specific condition agreed upon by the company, such as public trust in the company.

Profitability become Wrong One aspect Which trigger interest For reviewed Furthermore, profitability is crucial for decision-making and reflects a company's productivity (Wayan Sujana, 2019). Profitability is a crucial aspect that demonstrates the transparency and accuracy of a company's financial reports. profit is characteristics system report finance Which used For foothold during the decision-making process.

Another factor that influences company value is leverage, which measures the amount of debt used to finance the management of company assets. Leverage can be measured by ratio debt to equity or debt to equity ratio. Leverage Which tall can improve risk company banking. Company banking with level debt that tall can face risk Which more tall, especially in situation Where loan ratio increase or happen decline mark asset. Matter

963



This can impact negative on company value. This statement is supported by research (Guntari & Purwanti, 2024; Aritonang, 2025), which shows a negative or insignificant effect, so this relationship still requires further study.

Besides leverage, liquidity also influences company value. Company value is an indicator used to categorize the size of a company based on its size. logarithmic (log size). Mark company This usually measured from all over total The assets a company owns. The greater the availability of assets, the larger the company size. Marlina & Idayati (2021) stated that the greater the value of a company, the greater the likelihood of an increase in the company's profit quality. However, due to the increasing complexity of organizational systems and management structures, in company scale big, there is potential conflict interest between management and shareholders.

In order to increase company value, companies need to manage their finances optimally. Factors such as profitability, leverage, and liquidity have an impact. role important in influence quality profit Which produced. By Because Therefore, companies are advised to utilize current assets efficiently to avoid the accumulation of unproductive funds, which can ultimately reduce operational efficiency.

Based on the description above, this research is important to analyze the influence of profitability, leverage, and liquidity on the value of companies in the healthcare sector listed on the IDX for the 2020–2024 period.

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Influence Profitability To Mark Company

To assess a company's financial performance, one of the main approaches is to notice its profitability. Through report finance, can measured How effective a company is in achieving profits. Return on Assets (ROA) is generally used when measuring profitability to reflect a company's ability to record profit. Improvement profitability potential For increase possible issuer own information profit Which quality Good Also the more big, Because profit A high level indicates that the company is operating efficiently. By taking this measurement, the company can identify areas that need improvement in its operations. use increase Power competition in industry Hapsari (2022). According to Agustin & Rahayu (2022) state that profitability indicates a company's ability to generate profits from sales, capital, and assets. Management's effectiveness in optimizing company resources is reflected in high levels of profitability to achieve optimal financial performance.



The mechanism by which profitability influences company value can be explained through signaling theory. High profitability is a positive signal to investors that the company is able to manage his assets in a way efficient and generate good returns . This signal encourages increased demand for shares so that the price Share prices and company value also increase. Companies that are able to optimize resources and maintain profit growth will be more attractive to investors. This is supported by research. Christian (2023) And Cahyani (2024) Which conclude that profitability has a positive and significant effect on company value.

Influence Leverage To Company Values

Leverage is a company's ability to use debt to support operational and financing activities. In this study, leverage is measured by Debt to Equity Ratio (DER), that is comparison between total liabilities with total company equity.

The effect of leverage on company value can be explained through the Trade-Off Theory. Use debt on level Which optimal can increase mark companies due to the tax benefits from interest expenses (tax shield). Productive debt increases profits and investor confidence, ultimately driving up stock prices. However, excessive leverage increases interest expenses and the risk of default, which can actually reduce company value. Therefore, leverage has a positive and significant effect on company value at optimal debt utilization levels. Guntari & Purwanti (2024) and Aritonang (2025)

Influence Liquidity To Company Values

Liquidity indicates a company's ability to pay off its short-term obligations through the use of current assets. According to Dr. Kasmir & Jakfar (2015), assets that are quickly and easily converted into cash at a relatively constant value represent liquidity.

Based on signaling theory, high liquidity provides a positive signal to investors regarding a company's stability and future prospects. This signal increases investor confidence, leading to increased share prices and company value. Conversely, low liquidity is a negative signal that can undermine investor confidence and company value. This aligns with the findings of Alifian & Susilo (2024) and Andriyanti (2022), which state that liquidity has a positive and significant effect on company value.

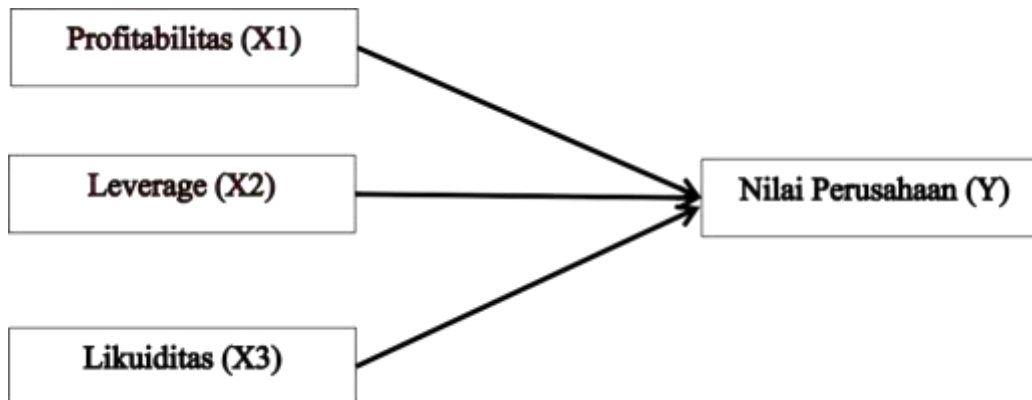
Framework Conceptual

This research was conducted on companies in the healthcare sector. The independent variables in this study were profitability, leverage, and liquidity, while the

965



non-independent variables were its dependents is mark company. Framework thinking about The factors that influence company value are described as follows.



Picture 1. Conceptual Framework

Hypothesis Study

According to Sugiyono (2019), a hypothesis is a temporary answer to a problem that is still conjectural in nature, because it must be proven first. the truth. Based on research conducted by Christiaan (2023) and Cahyani (2024) stated that profitability has a positive and significant effect on company value.

H1: Profitability influential in a way partial to mark company on sector health listed on the IDX for the 2020–2024 period.

H2: Leverage matters in a way partial to mark company on sector health listed on the IDX for the 2020–2024 period.

H3: Liquidity influential in a way partial to mark company on sector health listed on the IDX for the 2020–2024 period.

H4: Profitability, Leverage, and Liquidity have a simultaneous effect on value companies in the healthcare sector listed on the IDX for the 2020–2024 period.

METHOD STUDY

Method, Population, And Sample Study

This study uses a quantitative approach based on the philosophy of positivism to test the established hypotheses (Sugiyono, 2019). The population comprised all 38

healthcare companies listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period. The sample was selected using a purposive sampling technique (Sekaran & Bougie, 2017:216) with the following criteria:

1. Healthcare sector companies listed on the Indonesia Stock Exchange for the 2020–2024 period.
2. Healthcare companies listed on the Indonesia Stock Exchange that published complete annual reports and financial statements for the 2020–2024 period.
3. Healthcare sector companies listed on the Indonesia Stock Exchange that made a profit in the 2020–2024 period.

Table 1. Criteria Sampling

Information	Amount
Population: Company sector health registered in IDX 2020–2024 period	38
No publish report finance complete during 2020–2024 period	(5)
Experience loss during period 2020– 2024	(20)
Amount sample which is obtained	13
Amount observation (13 x 5 years)	65

Source: www.idx.co.id

Definition Operational Variables

Table 2. Definition Operational Variables

No	Variables	Definition	Formula	Scale
1	Company Value (Y)	Measured by Price to Book Value (PBV); reflects success companies create value for shareholders.	$PBV = \text{Price Share} / \text{Mark Book Per Stocks}$ (Andriyanti, 2022)	Ratio
2	Profitability (X1)	Measured with Return Return on Assets (ROA); shows the company's efficiency in generating profits from total assets.	$ROA = \text{Net Profit} / \text{Total Asset}$ (Andriyanti, 2022)	Ratio



3	Leverage (X2)	Measured by the Debt to Equity Ratio (DER); describes the comparison total debt to equity.	$DER = \frac{\text{Total Liabilities}}{\text{Total Equity}}$ (Astuti et al., 2022)	Ratio
4	Liquidity (X3)	Measured by Current Ratio (CR); describes the ability the company meets short-term obligations.	$CR = \frac{\text{Current Assets}}{\text{Current Liabilities}}$ (Pangesti et al., 2022)	Ratio

TYPE AND SOURCE DATA

The type of data used in this study is secondary quantitative data. The data was obtained from the annual financial reports of healthcare companies listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period, accessed through the official IDX website (www.idx.co.id).

Test Assumptions Classic**Normality Test**

According to Ghozali (2018), the normality test aims to determine whether the residual values resulting from the regression are normally distributed. Normality testing is carried out in two ways:

Graphic Test

This test is carried out by observing the distribution of points on the normal PP Plot of graph. Regression Standardized Residual. When dot, dot, dot spread in around line diagonal and follows the direction of the diagonal line, then the residual is stated to be normally distributed.

Statistical Test

Statistical testing using the Kolmogorov-Smirnov (KS) test. If the significance value is > 0.05 , so data stated distributed normal. If mark significance < 0.05 , then data stated as not normally distributed .



Multicollinearity Test

According to Priyastama (2017:122), test multicollinearity used For find perfect or near-perfect correlation between independent variables in a regression model. For show existence multicollinearity, mark tolerance must ≤ 0.10 or VIF (Variance Inflation Factor) value ≥ 10 .

Heteroscedasticity Test

According to Priyastama (2017:125), the heteroscedasticity test is used to examine the regression model to determine whether there is inequality in residual variance from one observation to another. This test is performed in two ways:

Glacier Test

If mark significance between variables independent with absolute residual more than 0.05, then heteroscedasticity does not occur.

Scatterplot Test

If there is no clear pattern and the points are spread above and below the number 0 on the Y axis, then heteroscedasticity does not occur.

Autocorrelation Test

Autocorrelation test used to test whether between residual There is a high correlation in the regression model. In this study, the Durbin-Watson (DW) test was used to determine whether the residual data occurred randomly or not.

Model Analysis Study

Model analysis data Which used in study This is analysis multiple linear regression with the following model equation:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Information:

Y = Company Values

a = Constant

b₁, b₂, b₃ = Coefficient regression **X₁** = Profitability (ROA) **X₂** = Leverage (DER)

X₃ = Liquidity (CR)

e = Standard error (error rate $\alpha = 5\%$)



Processing data done use software SPSS version 25 for multiple linear regression testing, classical assumption testing, and hypothesis testing.

Coefficient of Determination

According to Ghozali (2018), Adjusted R Square (R^2) is coefficient corrected determination that adjusts the R^2 value by dividing each sum of squares (sum of squares) with degrees freedom each. Coefficient This show How big variables independent in a way together capable explain variation on dependent variable .

Testing Hypothesis In a way Simultan (Test F)

According to Ghozali (2018), the F test is used to determine the effect of all independent variables simultaneously on the dependent variable. The calculated F value is compared with the table F value at a significance level of $\alpha = 5\%$. The decision-making criteria are:

- If $F \text{ count} \leq F \text{ table } (\alpha = 5\%)$, so H_0 accepted (No There is simultaneous influence).
- If $F \text{ count} > F \text{ table } (\alpha = 5\%)$, so H_a accepted (there is simultaneous influence).

Testing Hypothesis In a way Partial (Test t)

According to Ghozali (2018), the t-test is used to examine the effect of each independent variable individually on its dependent variable. The calculated t-value is compared with the tabulated t-value. The decision-making criteria are:

- H_0 accepted if $-t \text{ table} \leq t \text{ count} \leq t \text{ table}$ (level significance of $\alpha = 5\%$).
- H_a accepted if $t \text{ count} < -t \text{ table}$ or $t \text{ count} > t \text{ table}$ (level significance of $\alpha = 5\%$).

RESULTS AND DISCUSSION

Results

Statistics Descriptive

Descriptive statistics are used to provide an overview of the data characteristics of the variables used in the study. The variables analyzed include Firm Value (PBV), Profitability (ROA), Leverage (DER), and Liquidity. (CR). Results data processing use SPSS version 25 served on Table 3. below.



Table 3. Results Test Descriptive Statistics

Variables	N	Minimum	Maximum	Mean	Std. Deviation
PBV (Y)	65	0.7571	3,9792	2,7129	0.6810
ROA (X1)	65	0.0212	0.2435	0.1277	0.0707
DER (X2)	65	0.1534	1,7382	0.9183	0.5100
CR (X3)	65	1.0313	5,3785	3,3004	1,3178
Valid N (listwise)	65				

Source: Processing Results Data SPSS v.25

Based on Table 3, the PBV (Price to Book Value) as a proxy for Company Value has a minimum value of 0.7571 and a maximum value of 3.9792, with an average of 2.7129 and a standard deviation of 0.6810. This indicates that the average value of companies in the healthcare sector is above book value, indicating quite high investor confidence in this sector during the 2020-2024 period.

Profitability, as measured by ROA, has an average value of 0.1277 (12.77%) with a standard deviation of 0.0707. Leverage, as measured by DER, has an average of 0.9183, indicating that the average healthcare company has debt nearly equal to its equity. Liquidity, as measured by CR, has an average value of 3.3004, well above 1, indicating a good ability to meet short-term obligations.

Test Assumptions Classic

Before conducting multiple linear regression analysis, a classical assumption test is first performed to ensure that the regression model meets the requirements of the Best Linear Unbiased Estimator (BLUE). The classical assumption tests performed include normality, multicollinearity, autocorrelation, and heteroscedasticity.

Normality Test

The normality test aims to test whether the residual values generated from the model regression distributed normal. Testing done with test statistics Kolmogorov-Smirnov (KS) And approach chart Normal PP Plot. Results test normality served in Table 4.



Table 4. Results Test Normality (Kolmogorov- Smirnov)

Information	Mark
N	65
Test Statistics (K- S)	0.0845
Asymp. Sig. (2- tailed)	0.710
Conclusion	Normal (Sig. > 0.05)

Source: Processing Results Data SPSS v.25

Based on Table 4, the Kolmogorov-Smirnov test results show a statistical value of 0.0845 with a significance value of 0.710. Since the significance value of 0.710 is greater than 0.05, it can be concluded that the residuals of the regression model are normally distributed. This result is supported by the Normal PP Plot graph, which shows data points spread around and follow the diagonal line, thus meeting the assumption of normality.

Multicollinearity Test

The multicollinearity test is used to detect whether there is a high correlation between independent variables in a regression model. Detection is done by looking at the value Tolerance And Variance Inflation Factor (VIF). Model free multicollinearity if the value Tolerance more from 0.10 And VIF not enough from 10. Results test multicollinearity presented in Table 5.

Table 5. Test Results Multicollinearity

Variables	Tolerance	VIF	Conclusion
Profitability (ROA)	0.2416	4,138	No Multicollinearity
Leverage (DER)	0.2424	4,126	No Multicollinearity
Liquidity (CR)	0.3035	3,295	No Multicollinearity

Source: Processing Results Data SPSS v.25

Based on Table 5, all over variables independent own mark Tolerance more than 0.10 and VIF value less than 10. Profitability (ROA) has a tolerance value of 0.2416 and VIF of 4.138; Leverage (DER) has a tolerance value of 0.2424 and VIF of 4.126; and Liquidity (CR) has a tolerance value of 0.3035 and VIF of 3.295. Thus, it can be concluded that there is no multicollinearity problem in this regression model.



Autocorrelation Test

The autocorrelation test is used to test whether there is a correlation between the error variables in period t and period $t-1$ in the regression model. with test Durbin-Watson (DW). With $n = 65$ And $k = 3$, mark $dL = 1,521$ and $dU = 1.696$. The model is autocorrelation-free if the DW value is between dU and $(4-dU)$. The results of the autocorrelation test are presented in Table 6.

Table 6. Results Test Autocorrelation (Durbin- Watson)

Model	Durbin- Watson	Information
1	1,978	No There is autocorrelation (dU more small from DW smaller than $4-dU$)

Source: Processing Results Data SPSS v.25

Based on Table 6, the Durbin-Watson value is 1.978. The DW value is between dU (1.696) and $4-dU$ (2.304), namely $1.696 < 1.978 < 2.304$. Thus, it can be concluded that the regression model is free from autocorrelation problems.

Heteroscedasticity Test

The heteroscedasticity test aims to test whether there is inequality in variance. residual from One observation to observation other. Testing done with Glacier Test And Test Scatterplot. On Test Glejser, model free heteroscedasticity if The significance value of the independent variable on the absolute value of the residual is more than 0.05. The results of the Glejser test are presented in Table 7.

Table 7. Results Test Heteroscedasticity (Glejser Test)

Variables	Sig.	Conclusion
Profitability (ROA)	0.920	No Heteroscedasticity
Leverage (DER)	0.462	No Heteroscedasticity
Liquidity (CR)	0.110	No Heteroscedasticity

Source: Processing Results Data SPSS v.25



Based on Table 7, all independent variables have a higher significance value. from 0.05. Profitability (ROA) own significance 0.920; Leverage (DER) of 0.462; and Liquidity (CR) of 0.110. The scatterplot test results also show that the data points are randomly distributed above and below 0 on the Y-axis, without forming any particular pattern. Thus, it can be concluded that there is no heteroscedasticity in the regression model.

Analysis Research Data

Model Study

Analysis regression linear multiple used For measure influence Profitability (ROA), Leverage (DER), and Liquidity (CR) on Company Value (PBV) in companies sector health Which registered in IDX period 2020-2024. Results analysis The regression is presented in Table 8 below.

Table 8. Results Analysis Regression Multiple Linear

Variables	B	Std. Error	t count	Sig.
(Constant)	1.8623	0.204	9,147	0,000
Profitability (ROA)	7,6180	0.842	9,045	0,000
Leverage (DER)	-0.4785	0.117	-4,096	0,000
Liquidity (CR)	0.0960	0.043	2,249	0.028

Source: Processing Results Data SPSS v.25

Based on Table 8, the multiple linear regression model equation obtained is as follows:

$$\text{PBV} = 1.8623 + 7,6180 \text{ ROA} - 0.4785 \text{ DER} + 0.0960 \text{ CR} + e$$

The interpretation of the regression equation is: (1) The constant value of 1.8623 means that if all independent variables are zero, the company's PBV value is 1.8623. (2) The ROA regression coefficient of 7.6180 indicates that every 1 unit increase in ROA will increase the PBV value by 7.6180, assuming other variables are constant. (3) The DER regression coefficient of -0.4785 indicates that every increase DER as big as 1 unit will lower mark PBV as big as 0.4785, with assumptions variables other constant. (4) Coefficient regression CR as big as 0.0960 show that every increase CR as big as 1 unit will increase mark PBV as big as 0.0960, assuming other variables are constant.



Coefficient of Determination

The coefficient of determination (R^2) is used to measure the extent to which independent variables collectively explain variation in the dependent variable. The results of the coefficient of determination are presented in Table 9.

Table 9. Results Coefficient Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.766	0.587	0.567	0.44850

Source: Processing Results Data SPSS v.25

Based on Table 9, the R value of 0.766 indicates a strong correlation between variables independent and dependent. Mark Adjusted R Square as big as 0.567 (56.7%) shows that the variables Profitability (ROA), Leverage (DER), and Liquidity (CR) are able to explain the variation in Company Value (PBV) by 56.7%, while the remaining 43.3% is explained by other variables outside this research model, such as company size, dividend policy, and macroeconomic factors.

Test Hypothesis Study**Test Simultan (Test F)**

The F test is used to determine the effect of all independent variables simultaneously on the dependent variable. The results of the F test are presented in Table 10.

Table 10. Results Test Simultan (Test F)

Model	Sum of Squares	df	Mean Square	F count	Sig.
Regression	17,454	3	5,818	28,892	0,000
Residual	12,284	61	0.201		
Total	29,738	64			

Source: Processing Results Data SPSS v.25

Based on Table 10, the calculated F value is 28.892 with a significance of 0.000. The F table value at $\alpha = 5\%$ with $df_1 = 3$ and $df_2 = 61$ is 2.76. Because the calculated

975



F (28.892) is greater than the F table (2.76) and the significance value of 0.000 is less than 0.05, then H4 is accepted. This shows that Profitability (ROA), Leverage (DER), and Liquidity (CR) simultaneously have a significant effect on Company Value (PBV) in healthcare sector companies listed on the IDX for the 2020-2024 period .

Test Partial (Test t)

The t-test was conducted to determine the influence of each independent variable individually. individual to variables dependent. Mark t table on alpha = 5% with df = 61 (two-tailed) is 2,000. The results of the t-test are presented in Table 11.

Table 11. Results Test Partial (Test t)

Variables	B	t count	t table	Sig.	Information
Profitability (ROA)	7,6180	9,045	2,000	0,000	H1 Accepted
Leverage (DER)	-0.4785	-4,096	2,000	0,000	H2 Accepted
Liquidity (CR)	0.0960	2,249	2,000	0.028	H3 Accepted

Source: Processing Results Data SPSS v.25

t-Test of Profitability Variable (ROA) – H1

The Profitability (ROA) variable has a calculated t value of 9.045 with a t table of 2.000 at a significance level of $\alpha = 5\%$ (df = 61, two-tailed). Since the calculated t value (9.045) > t table (2.000) and the significance value of 0.000 < 0.05, then H1 is accepted. This means that Profitability (ROA) has a partial positive and significant effect on Firm Value (PBV) in healthcare sector companies listed on the IDX for the 2020–2024 period.

Leverage Variable t Test (DER) – H2

The Leverage (DER) variable has a calculated t value of -4.096 with a t table of 2.000 at a significance level of $\alpha = 5\%$ (df = 61, two-tailed). Since the absolute value of the calculated t (4.096) > t table (2.000) and the significance value of 0.000 < 0.05, then H2 is accepted. This means that Leverage (DER) has a partial negative and significant effect on Firm Value (PBV) in healthcare sector companies listed on the IDX for the 2020–2024 period.



Liquidity Variable (CR) t-Test – H3

The Liquidity (CR) variable has a calculated t value of 2.249 with a t table of 2.000 at a significance level of $\alpha = 5\%$ (df = 61, two-tailed). Since the calculated t value (2.249) > t table (2.000) and the significance value of 0.028 < 0.05, then H3 is accepted. This means that Liquidity (CR) has a partial positive and significant effect on Firm Value (PBV) in healthcare sector companies listed on the IDX for the 2020–2024 period.

DISCUSSION**Influence Direct****Influence Profitability (ROA) to Mark Company (PBV)**

The test results show that profitability, as measured by return on assets (ROA), has a positive and significant effect on firm value (PBV) in healthcare companies listed on the IDX for the 2020-2024 period, with a coefficient of 7.6180 and a significance value of 0.000. This means that the higher a company's ROA, the higher its value.

This finding can be explained through signaling theory, where high profitability is signal positive for investors that company capable manage its assets efficiently and generate good returns. This signal drives demand for shares increase so that price share And mark company even go on. Results study This is in line with research by Christiaan (2023) and Cahyani (2024) which concluded that profitability has a positive and significant effect on company value.

Influence Leverage (DER) to Mark Company (PBV)

Results testing show that Leverage Which measured with Debt to Equity Ratio (DER) influential negative And significant to Mark Company (PBV), with a coefficient of - 0.4785 and a significance value of 0.000. This means that every increase in DER will decrease the value of healthcare sector companies.

Influence negative leverage to mark company can explained through trade-off theory. Although optimal debt can increase company value through tax benefits (tax shield), excessive use of debt actually increases burden flower And risk fail pay (financial distress), Which on Ultimately, this reduces the company's value in the eyes of investors. These results are consistent with research by Guntari & Purwanti (2024) and Aritonang (2025).



Influence Liquidity (CR) to Mark Company (PBV)

Results testing show that Liquidity Which measured with Current The Ratio (CR) has a positive and significant effect on Firm Value (PBV), with a coefficient of 0.0960 and a significance value of 0.028. This means that the higher a company's CR, the higher its value.

According to signaling theory, high liquidity provides a positive signal to investors regarding the company's financial stability and ability to meet its short-term obligations. Increased investor confidence drives up stock prices and company value. This finding aligns with research by Alifian & Susilo (2024) and Andriyanti (2022), which found that liquidity has a positive and significant effect on company value.

Influence No Direct

Based on the results of the simultaneous test (F Test), Profitability (ROA), Leverage (DER), and Liquidity (CR) together have a significant effect on Company Value (PBV) with a calculated F of 28.892 and a significance of 0.000. The Adjusted R Square value of 0.567 indicates that the three variables together are able to explain 56.7% of the variation in company value.

Overall, profitability is the most dominant factor influencing company value in the healthcare sector, as reflected in the largest regression coefficient (7.6180). This indicates that healthcare companies that are able to maintain and increase their profit-generating capacity from their assets will send a strong positive signal to investors, thereby significantly increasing company value. On the other hand, sound capital structure and liquidity management also contribute to increased company value, albeit with a more limited impact. Healthcare sector companies health recommended For optimize use asset in generating profits, maintaining debt levels at optimal levels, and ensuring the availability of current assets Which adequate use increase trust investors And mark company in a sustainable manner.

CONCLUSION AND SUGGESTION

Conclusion

This study aims to examine the effect of Profitability (ROA), Leverage (DER), and Liquidity (CR) on Firm Value (PBV) in healthcare companies listed on the Indonesia Stock Exchange (IDX) for the 2020-2024 period. Based on the results of multiple linear regression analysis using SPSS version 25 on 65 observations from 13 sample companies, the following conclusions were obtained.

978

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1. Profitability (ROA) has a positive and significant effect on Firm Value (PBV), so H1 is accepted. The higher the company's ability to generate profits, the higher the profitability. from asset Which owned, so the more tall also mark company in eye investors.
2. Leverage (DER) has a negative and significant effect on Firm Value (PBV), thus H2 is accepted. Excessive use of debt increases a company's financial risk and reduces investor confidence, ultimately negatively impacting firm value.
3. Liquidity (CR) has a positive and significant effect on Firm Value (PBV), thus H3 is accepted. A company's strong ability to meet its short-term obligations sends a positive signal to investors and contributes to increased firm value.
4. Profitability (ROA), Leverage (DER), and Liquidity (CR) simultaneously influence significant to Mark Company (PBV), so that H4 accepted. These three variables together are able to explain 56.7% of the variation in the value of healthcare sector companies listed on the IDX for the 2020-2024 period.

Suggestion

1. The healthcare sector is advised to continue improving profitability by optimizing asset utilization, managing capital structure by maintaining optimal debt levels, and maintaining adequate liquidity levels.
2. For investors, these three financial indicators can be used as a reference in making investment decisions in the health sector.
3. Further research is recommended to expand the scope of variables and research period, and consider the use of panel data analysis for more robust results.

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