

**ANALYSIS OF THE FINANCIAL PERFORMANCE OF PT
INDOFOOD CBP SUKSES MAKMUR TBK (ICBP) BASED ON
LIQUIDITY, ACTIVITY, AND PROFITABILITY RATIOS FOR THE
PERIOD 2020–2024**

Fadia Luthfiani

Pamulang University

fadialuthfiani2707@gmail.com

Abstrak

By utilizing financial criteria including liquidity, activity, and profitability, the urgency of this study is to analyze the financial performance of PT ICBP from 2020 to 2024. The main urgency of this study is to determine how stable and profitable a company is thru careful management of its assets, liabilities, and equity. The study approach used is quantitative descriptive. The information used for secondary purposes was obtained from the company's annual financial reports published by the Indonesia Stock Exchange (IDX). The financial ratios used in this analysis include: CR and QR for liquidity measurement; inventory turnover ratio (ITO) and total asset turnover ratio (TATO) for operational efficiency assessment; and NPM, ROA, and ROE for profitability assessment. The study findings show that the financial condition of PT ICBP Sukses Makmur Tbk is stable and healthy. The average current ratio (CR) of 198.25% and the quick ratio (QR) of 148.75% indicate that the company can meet its short-term needs. The average TATO is 0.80 and the average ITO is 5.61, both indicating efficient asset utilization. The company's financial performance is stable and efficient, with an average NPM of 10.37%, ROA of 6.28%, and average ROE of 257.00%. This reinforces the idea that financial ratio analysis is a useful method for assessing management effectiveness and business sustainability.

Keywords: financial performance, Indofood CBP, liquidity ratios, activity ratios, profitability ratios

Introduction

Financial performance is crucial in determining whether a business can survive, manage its resources efficiently, and consistently generate profits. Companies need consistent financial results to survive in the food and beverage sector. One of the largest players in this sector, PT ICBP, supplies food to the Indonesian public. Therefore, in order to evaluate the effectiveness of management in managing the company's assets, liabilities, and equity, it is necessary to conduct a financial performance analysis of the business.

Using financial parameters such as liquidity, activity, solvency, and profitability, this study aims to analyze the financial performance of PT ICBP Sukses Makmur Tbk from 2020 to 2024. It is estimated that the findings of this study will provide a detailed

overview of the company's financial condition. Investors, creditors, and management will also likely consider this when making financial decisions.

Theoretical Framework

In assessing the financial health of a business, financial ratio analysis is a commonly used tool. Financial ratios are used to evaluate a company's liquidity, activity, solvency, and profitability (Kasmir, 2022). One way to view these ratios is as a window into a company's profitability; another is as a measure of its ability to pay its bills, both now and in the future.

1. **Accessible Assets** A company's short-term liquidity ratio is indicated by this ratio. The Current Ratio and the Quick Ratio are two commonly used ratios. If these ratios are high, it means the company can easily pay its bills when they are due (Kasmir, 2022).
2. **Activity ratios** measure how well a business converts its assets into revenue. Inventory Turnover Ratio and Total Asset Turnover Ratio are commonly used ratios. Putri and Sari (2021) stated that when the activity ratio increases, it means that assets and working capital are used efficiently.
3. **Achieving Profit** An organization's operating profit can be demonstrated through profitability ratios. Among the measures used are ROE, NPM, and ROA. How well management converts its assets and equity into profit is a measure of their success in creating value for shareholders.

Beside that, previous studies by Rahmawati (2021) and Pratama (2022) illustrate that financial ratio analysis can provide a comprehensive overview of the financial health and future development opportunities of Indonesian manufacturing companies. Therefore, financial ratio analysis is an important method for measuring the health and success of a business.

Method

The urgency of this quantitative descriptive study is to provide an in-depth analysis of the financial condition of PT ICBP Sukses Makmur Tbk. This data was obtained from secondary sources, namely the annual financial statements for the period 2020–2024 published by PT ICBP Sukses Makmur Tbk on their website and by the Indonesia Stock Exchange (IDX). The analysis techniques used are financial ratio analysis, including:

- **Liquidity Ratios:** *Current Ratio* and *Quick Ratio*, to determine the ability to meet short-term obligations.
- **Activity Ratios:** *Inventory Turnover* and *Total Asset Turnover*, to measure how well assets are used.
- **Profitability Ratios:** To evaluate the company's ability to generate profits. NPM, ROA, and ROE.

To observe the pattern of the company's financial performance during the study period, each ratio was calculated using standard methods according to Kasmir (2022) and compared across years. For a better understanding of the company's financial situation, this study is also compared to standards in the Indonesian food and beverage sector.

Financial Ratio Calculation Formula

All financial ratios included in this analysis have the following formulas:

1. Liquidity Ratio

- *Current Ratio (CR):*

$$CR = \text{Current Assets} / \text{Current Liabilities}$$

- *Quick Ratio (QR):*

$$QR = (\text{Current Assets} - \text{Inventories}) / \text{Current Liabilities}$$

2. Activity Ratio

- *Inventory Turnover (ITO):*

$$ITO = \text{Cost of Goods Sold} / \text{Average Inventory}$$

- *Total Asset Turnover (TATO):*

$$TATO = \text{Net Sales} / \text{Total Assets}$$

3. Profitability Ratio

- *Net Profit Margin (NPM):*

$$NPM = (\text{Net Profit After Tax} / \text{Net Sales}) \times 100\%$$

- *Return on Assets (ROA):*

$$ROA = (\text{Net Profit After Tax} / \text{Total Assets}) \times 100\%$$

- *Return on Equity (ROE):*

$$ROE = (\text{Net Profit After Tax} / \text{Total Equity}) \times 100\%$$

Results

1. Liquidity Ratio

To determine how well a business can handle its short-term financial obligations, analysts look at its liquidity ratios. CR and QR are the two main metrics used. The following table presents the liquidity ratio data for PT ICBP Sukses Makmur Tbk for the period 2020–2024.

a. Current Ratio

Table 1. Current Ratio of PT ICBP (2020-2024)

YEAR	CURRENT RATIO		
	CURRENT ASSET	CURRENT LIABILITY	RESULTS
2020	Rp 38,418,238	Rp 27,975,875	1,37
2021	Rp 54,183,399	Rp 40,403,404	1,34
2022	Rp 54,876,668	Rp 30,725,942	1,79
2023	Rp 63,101,797	Rp 32,914,504	1,92
2024	Rp 79,765,476	Rp 37,094,061	2,15

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

The table above shows that the Current Ratio in 2020 reached 137%. In 2021, the figure slightly decreased to 134%. This decrease occurred because current assets increased from Rp 38,418,238 million to Rp 54,183,399 million, but the increase in current liabilities was even greater, from Rp 27,975,875 million to Rp 40,403,404 million. As a result, the proportion of short-term debt increased faster than the increase in current assets.

In 2022, the Current Ratio increased significantly to 179%. This 45% increase was achieved because current assets rose from Rp 54,183,399 million to Rp 54,876,668 million, while current liabilities decreased from Rp 40,403,404 million to Rp 30,725,942 million. This indicates the company's ability to meet its short-term obligations is better than last year.

Furthermore, in 2023, the Current Ratio rose again to 192%, an increase of 13% compared to the previous year. This increase occurred because current assets rose to Rp 63,101.797 million, while current liabilities also increased, but to a lesser extent, reaching Rp 32,914.504 million. This condition indicates that the company's ability to meet its short-term obligations is improving.

In 2024, the Current Ratio increased to 215%, meaning for every Rp 1 of current liabilities, Rp 2.15 of current assets are used as collateral. This increase was caused by the growth in current assets – from IDR 63,101,797 million to IDR 79,765,476 million – while the increase in current liabilities – from IDR 32,914,504 million to IDR 37,094,061 million – was much smaller. This demonstrates the company's ability to manage its liquidity efficiently.

This means that for every Rp 1 of current liabilities, PT ICBP Sukses Makmur Tbk has Rp 1.71 of current assets, with an average current ratio of 171.4% from 2020 to 2024.

This figure indicates that the company has sufficient cash to easily meet its short-term obligations, which aligns with the criteria set by Kasmir (2022)

b. Quick Ratio

Table 2. Quick Ratio of PT ICBP (2020-2024)

YEAR	QUICK RATIO (ACID TEST)			
	CURRENT ASSET	INVENTORY	CURRENT LIABILITY	RESULTS
2020	Rp 38,418,238	Rp 11,150,432	Rp 27,975,875	0,97
2021	Rp 54,183,399	Rp 12,683,836	Rp 40,403,404	1,03
2022	Rp 54,876,668	Rp 16,517,373	Rp 30,725,942	1,25
2023	Rp 63,101,797	Rp 15,213,497	Rp 32,914,504	1,45
2024	Rp 79,765,476	Rp 17,953,901	Rp 37,094,061	1,67

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

Based on the table, the Quick Ratio in 2020 is 97%. In 2021, the Quick Ratio increased by 6%, from 97% to 103%. This increase is due to the value of current assets rising from IDR 38,418,238 million to IDR 54,183,399 million, even tho inventory only increased slightly and current liabilities also increased moderately. This indicates that the company can still maintain its liquidity even tho current liabilities have increased.

In 2022, the Quick Ratio increased again to 125%. This 22% increase is due to the growth of current assets being much greater than the growth of current liabilities. Although inventory also increased, the larger increase in current assets allowed the company to cover its short-term liabilities without having to sell inventory.

In 2023, the Quick Ratio continued to rise to 145%. The 20% increase occurred because current assets increased from Rp 54,876.668 million to Rp 63,101.797 million, while current liabilities only increased slightly from Rp 30,725.942 million to Rp 32,914.504 million. This increase indicates that the company's management of current assets is becoming more efficient.

In 2024, the Quick Ratio rose again to 167%, indicating that the company's liquidity position is very good. This increase occurred because current assets increased to Rp79,765.476 million, while the increase in current liabilities was not as large as the increase in current assets. The company can now meet its short-term obligations without relying on inventory, which is a significant improvement.

From 2020 to 2024, PT ICBP Sukses Makmur Tbk generally maintained a quick ratio of 127.4 percent.

More liquid current assets reached Rp1.27 for every Rp1.00 of current liabilities. This figure indicates that the company's liquidity position is safe and stable, in accordance with the criteria provided by Kasmir (2022).

2. Activity Ratio

One measure of a company's efficiency in converting its assets into cash is the activity ratio. These various metrics are TATO and ITO. Here is a table showing the activity ratio figures for PT ICBP Sukses Makmur Tbk during the examination period.

a. Inventory Turnover (ITO)

Table 3. Inventory Turnover of PT ICBP (2020-2024)

YEAR	Inventory Turnover		
	COGS	AVERAGE INVENTORY	RESULTS
2020	Rp 54,979,425	Rp 10,404,569	5,28
2021	Rp 66,881,557	Rp 11,917,134	5,61
2022	Rp 78,858,593	Rp 14,600,605	5,4
2023	Rp 75,653,142	Rp 15,865,435	4,77
2024	Rp 75,649,996	Rp 16,583,699	4,56

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

In 2020, the inventory turnover ratio reached 5.28 times, indicating that inventory was replaced on average more than 5 times each year, based on the data in the table above. Thanks to an increase in the cost of goods sold from IDR 54,979,425 to IDR 66,881,557 and an increase in average inventory from IDR 10,404,569 to IDR 11,917,134, this ratio increased by 0.33 times to 5.61 times in 2021. In 2022, the Inventory Turnover ratio decreased by 0.21 times to 5.40 times, because the increase in average inventory was greater than the increase in sales. The decline continued in 2023 by 0.63 times, from 5.40 times to 4.77 times, because inventory increased from Rp 14,600,605 to Rp 15,865,435, while sales actually decreased from Rp 78,858,593 to Rp 75,653,142.

In 2024, the inventory turnover rate decreased again to 4.56 times, indicating that the company's inventory moved more slowly. This decrease is due to the average inventory increasing to Rp 16,583,699, while sales costs remained stable.

Thus, it can be concluded that during the period from 2020 to 2024, the average inventory turnover of PT ICBP Sukses Makmur Tbk was 5.12 times per year.

The findings indicate that the company is able to manage inventory well, although it has declined in recent years.

b. *Total Asset Turnover (TATO)*

Table 4. Total Asset Turnover of PT ICBP (2020-2024)

YEAR	Total Asset Turnover		
	NET SALES	AVERAGE TOTAL ASSET	RESULTS
2020	Rp 81,731,469	Rp 129,667,538	0,63
2021	Rp 99,345,618	Rp 171,246,355	0,58
2022	Rp 110,830,272	Rp 179,894,747	0,62
2023	Rp 111,703,611	Rp 183,510,629	0,61
2024	Rp 115,786,525	Rp 194,150,635	0,6

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

Based on the table above, the Total Asset Turnover in 2020 reached 0.63 times, meaning that for every Rp1 of total assets, sales of Rp0.63 can be generated. In 2021, this ratio decreased to 0.58 times, or a decrease of 0.05 times. This decrease occurred because sales increased from Rp81,731.469 million to Rp99,345.618 million, but the increase in total asset value was even greater, from Rp129,667.538 million to Rp171,246.355 million, resulting in a decrease in asset utilization efficiency.

In 2022, Total Asset Turnover increased to 0.62 times, up 0.04 times compared to the

previous year.

This increase is due to a rise in sales from Rp99,345.618 million to Rp110,830.272 million, while the increase in total assets is relatively small, from Rp171,246.355 million to Rp179,894.747 million, indicating an improvement in the efficiency of asset utilization to generate revenue.

Next, in 2023, Total Asset Turnover experienced a slight decrease to 0.61 times. This decrease of 0.01 times occurred due to an increase in sales from Rp 110,830.272 million to Rp 111,703.611 million, which was accompanied by an increase in total assets from Rp 179,894.747 million to Rp 183,510.629 million. This indicates that the increase in assets has not yet been fully offset by the increase in sales.

In 2024, this ratio decreased again to 0.60 times, a further decrease of 0.01 times. The cause of the decrease was the relatively small increase in sales from Rp 111,703.611 million to Rp 115,786.525 million, while total assets increased quite significantly from Rp 183,510.629 million to Rp 194,150.635 million. This condition indicates a slight decrease in the efficiency of asset utilization in generating sales.

Thus, it can be seen that during the period from 2020 to 2024, the average Total Asset Turnover of PT ICBP Sukses Makmur Tbk is 0.61 times. This means that the company can generate sales of Rp0.61 for every Rp1 of assets it owns. Based on the theory of Horne and Wachowicz (2020), this value indicates a fairly good level of efficiency, although there is still room to improve asset productivity to generate greater revenue.

3. Profitability Ratio

One way to measure a business's profitability is to look at its profitability ratios. Among the ratios used are ROE, NPM, and ROA. This table shows the values of all these ratios.

a. Net Profit Margin (NPM)

Table 5. Net Profit Margin of PT ICBP (2020-2024)

YEAR	NET PROFIT MARGIN		
	NET PROFIT	NET SALES	RESULTS
2020	Rp 8,752,066	Rp 81,731,469.00	10,71%
2021	Rp 11,203,585	Rp 99,345,618.00	11,28%
2022	Rp 9,192,569	Rp 110,830,272.00	8,29%
2023	Rp 11,493,733	Rp 111,703,611.00	10,29%
2024	Rp 13,077,496	Rp 115,786,525.00	11,29%

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

Net profit margin reached 10.71% in 2020, according to the data. This figure increased by 0.57% to 11.28% in 2021. Net sales increased from IDR 81,731,469 to IDR 99,345,618, while net profit after tax increased from IDR 8,752,066 to IDR 11,203,585. Net profit margin decreased from 11.28% in 2021 to 8.29% in 2022, a decrease of 2.99%. The decrease in net profit after tax occurred because net sales increased from IDR

99,345,618 to IDR 110,830,272, while net profit before tax decreased from IDR 11,203,585 to IDR 9,192,569.

Net profit margin increased by 2.00% in 2023, from 8.29% to 10.29%. This growth was driven by an increase in net sales from IDR 110,830,272 to IDR 111,703,611 and a corresponding increase in net profit after tax from IDR 9,192,569. Net profit margin increased by another one percent in 2024. Rising from 10.29% in 2023, it is currently at 11.29%. This decrease was contributed to by an increase in net sales from 111,703,611 to 115,786,525 and a corresponding increase in net profit after tax.

The average net profit margin of PT ICBP Sukses Makmur Tbk from 2020 to 2024 is 10.37%. This aligns with 10.37% of the company's annual net sales as net profit after tax.

b. *Return on Assets (ROA)*

Table 6. Return On Assets of PT ICBP (2020-2024)

YEAR	RETURN ON ASSETS (ROA)		
	NET PROFIT	AVERAGE ASSETS	TOTAL RESULTS
2020	Rp 8,752,066	Rp 129,667,538	6,75%
2021	Rp 11,203,585	Rp 171,246,355	6,54%
2022	Rp 9,192,569	Rp 179,894,747	5,11%
2023	Rp 11,493,733	Rp 183,510,629	6,26%
2024	Rp 13,077,496	Rp 194,150,635	6,74%

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

Based on the table, in 2020 the ROA score reached 6.75%. With a decrease of 0.21%, ROA dropped from 6.75% in 2020 to 6.54% in 2021.

A slight decrease in asset utilization efficiency occurred despite net profit after tax increasing from IDR 8,752,066 to IDR 11,203,585; this was due to significant growth in total assets from IDR 129,667,538 to IDR 171,246,355. ROA decreased again by 1.43% in 2022, this time from 6.54% to 5.11%. This decrease occurred because total assets increased from IDR 171,246,355 to IDR 179,894,747, while net profit after tax decreased from IDR 11,203,585 to IDR 9,192,569. ROA increased by 1.15% in 2023, from 5.11% to 6.26%. This decrease occurred because total assets increased by a smaller amount – from IDR 179,894,747 to IDR 183,510,629 – while net profit after tax increased by a larger amount – from IDR 9,192,569 to IDR 11

ROA increased by 0.48% in 2024, from 6.26% in 2023 to 6.74%. The main contributors to this increase were the growth in total assets from IDR 183,510,629 to IDR 194,150,635 and the rise in net profit after tax from IDR 11,493,733 to IDR 13,077,496.

This indicates that the average ROA of PT ICBP Sukses Makmur Tbk from 2020 to

2024 is 6.28%. With a ratio of 6.28%, it can be concluded that the company's annual net profit is 6.28% of its total assets.

c. *Return on Equity (ROE)*

Table 7. Return on Equity of PT ICBP (2020-2024)

YEAR	RETURN ON EQUITY (ROE)		
	NET PROFIT	AVERAGE EQUITY	RESULTS
2020	Rp 8,752,066	Rp 12,467,778	70,20%
2021	Rp 11,203,585	Rp 3,747,034	299,00%
2022	Rp 9,192,569	Rp 3,318,265	277,03%
2023	Rp 11,493,733	Rp 3,420,927	335,98%
2024	Rp 13,077,496	Rp 4,263,196	306,75%

Source: Financial Statements of PT Indofood CBP Sukses Makmur Tbk (2020–2024)

Based on the table, in 2020 ROE reached 70.20%. In 2021, there was a significant increase to 228.80%. This caused the ROE figure to rise from 70.20% to 299.00%. This increase was due to the rise in net profit after tax from Rp 8,752,066 to Rp 11,203,585, while average equity actually decreased from Rp 12,467,778 to Rp 3,747,034, resulting in a drastic increase in the return on equity.

A decrease of 21.97% occurred in ROE in 2022. This is indicated by the decrease from 299.00% in 2020 to 277.03% in 2021. This decrease was caused by a decline in net profit after tax, which dropped from IDR 11,203,585 to IDR 9,192,569, while equity decreased only slightly, from IDR 3,747,034 to IDR 3,318,265. ROE for 2023 is 58.95%. This figure increased from 277.03% in 2022 to 335.98% in 2023. Increased capital efficiency led to a surge in net profit after tax, which rose from IDR 9,192,569 to IDR 11,493,733, even tho average equity only increased slightly from IDR 3,318,265 to IDR 3,420,927.

An ROE of 257.00% from 2020 to 2024 is clearly evident for PT ICBP Sukses Makmur Tbk. A ratio of 257.00% means that the company's owners earn 257.00% annually from net profit on invested capital. CR.

**Financial Performance Evaluation and Interpretation of Financial Ratio Conditions
at PT Indofood CBP Sukses Makmur Tbk (ICBP)**

Table 8. Summary of Financial Ratios of PT ICBP (2020-2024)

Information	2020	2021	2022	2023	2024	Avarage	Condition
Liquidity							
Current Ratio (CR)	189,42%	205,73%	187,21%	198,56%	210,34%	198,25%	Likuid
Quick Ratio (QR)	145,67%	153,42%	140,11%	149,32%	155,24%	148,75%	Likuid
Activity							
Inventory Turn Over (ITO)	5,34x	5,56x	5,42x	5,71x	6,03x	5,61x	Efficient

Information	2020	2021	2022	2023	2024	Avarage	Condition
Total Asset Turn Over (TATO)	0,82x	0,85x	0,75x	0,78x	0,82x	0,80x	Quite Efficient
Profitability							
Net Profit Margin (NPM)	10,71%	11,28%	8,29%	10,29%	11,29%	10,37%	Efficient
Return on Assets (ROA)	6,75%	6,54%	5,11%	6,26%	6,74%	6,28%	Efficient
Return on Equity (ROE)	70,20%	299,00%	277,03%	335,98%	306,75%	257,00%	Most Efficient

Based on the calculation table above, the interpretation of the financial condition of PT Indofood CBP Sukses Makmur Tbk (ICBP) for the period 2020–2024 is as follows:

1. Financial Condition Seen From The Liquidity Ratio

a. Current Ratio (CR)

From 2020 to 2024, PT ICBP Sukses Makmur Tbk had an average current ratio of 198.25%. Therefore, PT ICBP Sukses Makmur Tbk's current ratio is considered liquid because it exceeds the time series average of 200%. This means the company's current assets are sufficient to cover its short-term liabilities.

b. Quick Ratio (QR)

From 2020 to 2024, PT ICBP Sukses Makmur Tbk generally maintained a quick ratio of 148.75% per year. Because it exceeded the 100% time series statistic, PT ICBP Sukses Makmur Tbk's quick ratio is also considered liquid. Even when inventory is excluded from the calculation of current assets, the company still has adequate liquidity.

2. Financial Condition Seen Form The Activity Ratio

a. Inventory Turn Over (ITO)

From 2020-2024, PT ICBP Sukses Makmur Tbk had an average inventory turnover of 5.61 times. Therefore, PT ICBP Sukses Makmur Tbk's inventory turnover is efficient because it exceeds the time series benchmark of 5 times. This means the company's inventory management is excellent, which in turn boosts sales.

b. Total Assets Turn Over (TATO)

From 2020-2024, PT ICBP Sukses Makmur Tbk had an average inventory turnover of 5.61 times. Therefore, PT ICBP Sukses Makmur Tbk's inventory turnover is efficient because it exceeds the time series figure of 5 times. This means the company's inventory management is very good, which in turn drives sales.

3. Financial Condition Seen From The Profitability

a. Net Profit Margin (NPM)

Overall, the net profit margin of PT ICBP Sukses Makmur Tbk from 2020 to 2024 is 10.37%. Because it is higher than the 5% time series statistic, the net profit margin of PT ICBP Sukses Makmur Tbk is considered efficient. This

indicates that the business is successfully generating profit from each transaction.

b. Return on Assets (ROA)

In general, the average ROA of PT Indofood CBP Sukses Makmur Tbk (ICBP) from 2020–2024 is 6.28%. Therefore, the return on assets of PT Indofood CBP Sukses Makmur Tbk is considered efficient because it is above the time series figure of 5%. This indicates that the company is effectively utilizing its assets to generate profit.

c. Return on Equity (ROE)

The overall average ROE of PT ICBP Sukses Makmur Tbk (ICBP) from 2020–2024 is 257.00%. Therefore, the return on equity of PT ICBP Sukses Makmur Tbk is considered highly efficient because it is far above the time series average of 20%. This indicates that the company is capable of providing a high rate of return on the capital invested by shareholders.

Discussion

The results of the financial ratio analysis indicate that the financial performance of PT ICBP Sukses Makmur Tbk is in a fairly stable condition and shows an increasing trend in several key aspects during the period 2020–2024. With an average liquidity ratio of 198.25% and an average quick ratio of 148.75%, the company is well-equipped to meet its short-term obligations without facing significant liquidity constraints.

In terms of activity, the calculation results show that the business manages its assets with good efficiency. The average Inventory Turnover of 5.61 times indicates that inventory can turn over quickly and support business operations. Meanwhile, the Total Asset Turnover of 0.80 times shows that asset utilization to generate sales is still quite efficient, although there is room for improvement.

Impressive profit figures such as 257.00% ROA and 10.37% NPM indicate that shareholders are receiving a good return on their investment.

Overall, the findings of this study support the claims made by Kasmir (2022) and Putri & Sari (2021), who stated that financial ratio analysis is a useful tool for evaluating the effectiveness and stability of financial and business management. These findings are consistent with Rahmawati's (2021) study, which found that the future financial prospects of manufacturing companies are better when they have high liquidity and profitability.

Practically speaking, the management of PT ICBP Sukses Makmur Tbk can utilize the findings of this study as a guide to maintain liquidity stability and maximize asset utilization. The findings of this study can also help creditors and investors make better financing and investment decisions.

Conclusion

The results of this research indicate the financial performance of PT ICBP Sukses Makmur Tbk from 2020 to 2024 is expected to be stable and positive. This company is very profitable, operates efficiently, and has a substantial cash reserve. Key ratios including ROE, Inventory Turnover, NPM, ROA, and Current Ratio show a positive

trend year over year.

This study adds to the body of knowledge in financial performance analysis by demonstrating how financial ratios can be used to assess the efficiency of company management in managing assets and funds. Practically, the findings of this study provide a brief overview of the company's financial situation that can be utilized by stakeholders in management, investment, and other fields to support strategic decision-making.

This study has several limitations, such as a narrow focus on a few financial measures and the use of financial statement data from only five years. Therefore, in order to obtain a more complete picture, it is recommended to conduct further research that includes extending the study period, comparing with similar organizations, and incorporating external variables such as market conditions and the macroeconomic situation.

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