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FINANCIAL PERFORMANCE ANALYSIS THROUGH LIQUIDITY, SOLVENCY, ACTIVITY, AND PROFITABILITY RATIOS AT PT. DIGITALISASI MEDIATAMA MAXIMA, TBK FOR THE PERIOD 2018–2025

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Abstract

This study aims to analyze the financial performance of PT Digitalisasi Mediatama Maxima Tbk during the period 2018–2025 by applying four key financial ratios: liquidity, solvency, activity, and profitability. The objective of this research is to assess the company's capability to maintain financial stability, fulfill short-term and long-term obligations, optimize asset utilization, and achieve consistent profitability. The research employs a quantitative descriptive method based on secondary data obtained from the company's annual financial statements.

The results reveal that the company's liquidity ratio, as measured by the Current Ratio (CR), was consistently above the standard level, indicating a strong ability to meet short- term liabilities, although a downward trend appeared in later years. The solvency ratio, measured by the Debt to Equity Ratio (DER), showed a significant surge in 2024–2025, reflecting excessive reliance on debt financing. The activity ratio, represented by Total Asset Turnover (TATO), fluctuated and remained relatively low, implying inefficient asset utilization. Meanwhile, the profitability ratio, represented by the Gross Profit Margin (GPM), showed a general decline until 2023, followed by a strong rebound in 2025.

Overall, the study concludes that PT Digitalisasi Mediatama Maxima Tbk experienced volatile financial performance. The company needs to balance its capital structure, improve asset efficiency, and enhance cost management to achieve sustainable financial growth.

Keywords: Liquidity, Solvency, Activity, Profitability, Financial Performance

Introduction

Financial performance plays a crucial role in determining how effectively a company manages its resources to achieve its operational and strategic goals. According to **Brigham and Houston (2018)**, financial performance represents the efficiency and capability of an organization in generating profit, maintaining stability, and adapting to both internal and external challenges. In today's competitive environment, evaluating financial performance through ratio analysis provides management, investors, and creditors with meaningful insights into a firm's financial condition and operational strength.

PT Digitalisasi Mediatama Maxima Tbk, a company operating in the digital and media industry, faces a rapidly changing business environment characterized by technological transformation and dynamic consumer behavior. In such conditions, financial ratio analysis serves as a critical diagnostic tool to monitor the company's liquidity, solvency, operational efficiency, and profitability over time.

Financial ratios not only highlight strengths and weaknesses but also serve as early indicators of potential financial distress. As Kasmir (2019) explained, ratio analysis is a vital method to assess a company's financial health and assist decision-makers in planning future strategies. Hence, this study focuses on evaluating the financial performance of PT Digitalisasi Mediatama Maxima Tbk from 2018 to 2025, with an emphasis on identifying trends, variations, and managerial implications.

Theoretical Framework

Financial ratio analysis is one of the most widely recognized tools for evaluating a company's overall performance. According to **Kasmir (2019)**, financial ratios help compare figures in financial statements to assess a company's ability to manage assets, control debt, and achieve profitability.

1. **Liquidity Ratio:** Measures the ability to meet short-term obligations using current assets. A higher ratio indicates stronger short-term solvency (**Brigham & Houston, 2018**).
2. **Solvency Ratio:** Also known as leverage ratio, this shows the extent to which the company relies on debt financing. **Gitman (2015)** notes that excessive debt may increase financial risk and reduce operational independence.
3. **Activity Ratio:** According to **Brigham & Ehrhardt (2017)**, this ratio evaluates how efficiently the company utilizes its total assets to generate revenue. High turnover ratios indicate efficient management, while low values suggest underutilization.
4. **Profitability Ratio:** Reflects the company's ability to generate profit from sales or assets. As stated by **Ross, Westerfield, and Jordan (2019)**, profitability is the primary indicator of business success and long-term sustainability.

Together, these ratios provide a balanced view of a firm's financial health. Imbalances among them may indicate liquidity pressures, excessive leverage, inefficient operations, or declining profitability—all of which can undermine investor confidence and firm value.

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Method

This research applies a **quantitative descriptive approach**, which involves analyzing numerical data derived from the company's financial statements over eight consecutive years (2018–2025). The data consist of four key financial indicators:

1. Current Ratio (CR) = Current Assets / Current Liabilities × 100%
2. Debt to Equity Ratio (DER) = Total Debt / Total Equity × 100%
3. Total Asset Turnover (TATO) = Net Sales / Total Assets × 100%
4. Gross Profit Margin (GPM) = Gross Profit / Net Sales × 100%

Data interpretation is carried out using a trend analysis to observe fluctuations in each ratio. The findings are then discussed based on established financial theories by **Kasmir (2019)**, **Gitman (2015)**, and **Brigham & Houston (2018)** to provide context and theoretical justification for each financial behavior observed.

Results

1. Rasio liquidity

Table 1.1
Indicator Current Rasio PT Digitalisasi Mediatama Maxima Tbk Tahun 2018-2025
(In Million Rupiah)

Tahun	Aktiva lancar	Hutang lancar	CR
2018	Rp33.074	Rp9.028	366,36%
2019	Rp696.373	Rp30.250	2302,06%
2020	Rp606.951	Rp57.972	1046,98%
2021	Rp851.352	Rp92.445	920,93%
2022	Rp837.395	Rp163.404	512,47%
2023	Rp814.203	Rp195.600	416,26%
2024	Rp430.739	Rp14.209	303,15%
2025	Rp527.529	Rp205.883	256,23%

Sumber : Data Yang Diolah

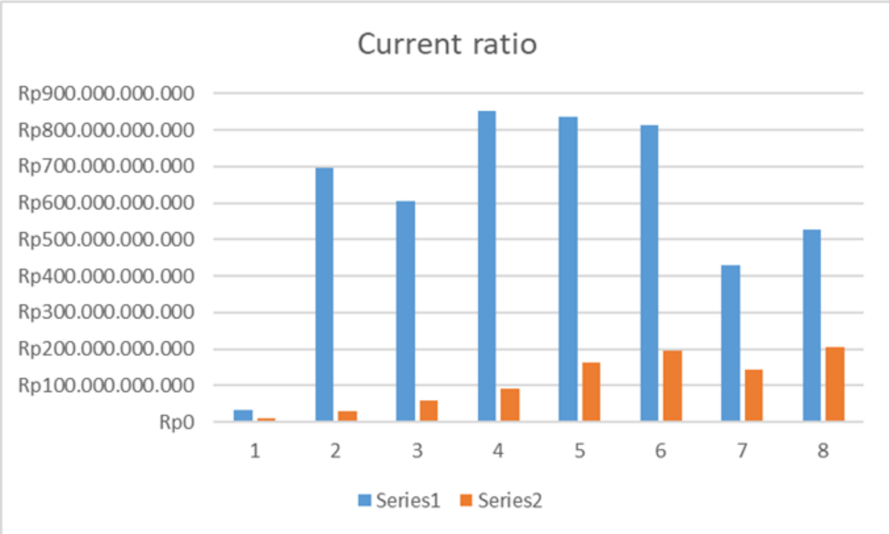

Figure 2.1
Current Rasio Periode 2018-2025

The liquidity ratio fluctuated throughout the observation period but generally remained above the standard benchmark of 200%. The extremely high ratios in 2018–2020 suggest that the company held substantial current assets relative to its liabilities, indicating strong liquidity but potential inefficiency in asset utilization. According to **Kasmir (2019)**, excessively high liquidity can indicate idle funds that are not productively used. The declining trend after 2021 indicates increasing short-term obligations or a decrease in cash reserves, reflecting the need for tighter working capital management.

2. Rasio Solvabilitas

Tabel 1.2
Indicator Debt to Equity Ratio PT Digitalisasi Mediatama Maxima Tbk Tahun 2018-2025
(In Million Rupiah)

Tahun	Liability	Equity	DER
2018	Rp9.606	Rp14.439	66,53%
2019	Rp30.866	Rp654.330	18,45%
2020	Rp115.644	Rp626.854	18,45%
2021	Rp134.424	Rp626.855	21,44%
2022	Rp190.131	Rp626.855	30,33%
2023	Rp218.526	Rp626.855	23,49%
2024	Rp147.238	Rp626.855	2349,00%
2025	Rp213.253	Rp626.855	3402,00%

Sumber : Data Yang Diolah

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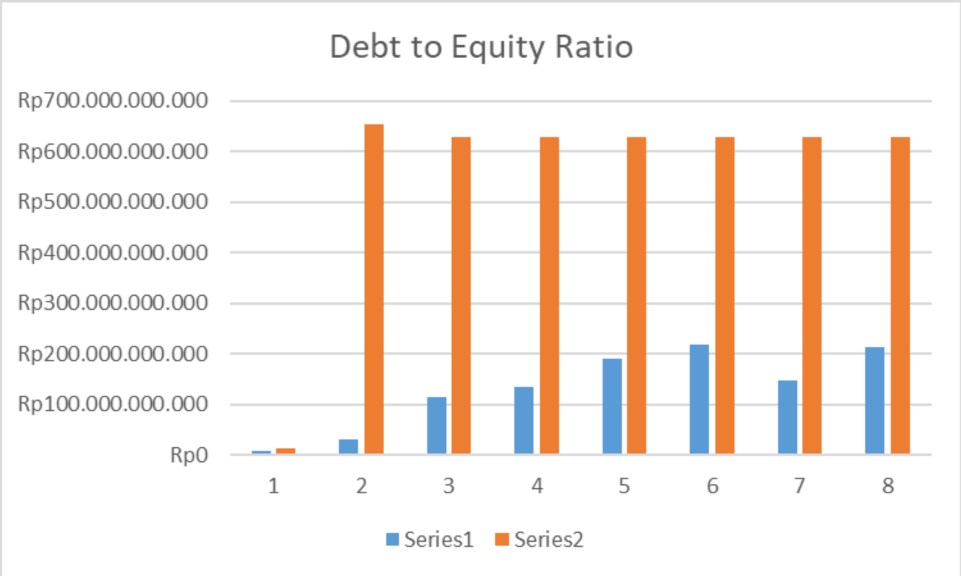

Figure 2.2
Debt To Equity Ratio 208-2025

The solvency ratio increased dramatically in 2024–2025, surpassing 3000%. This sharp rise indicates an alarming reliance on external financing. **Gitman (2015)** emphasizes that a DER above 200% implies over-leverage, which heightens financial risk and may lead to solvency issues. The company must rebalance its capital structure by reducing debt dependence and strengthening equity to maintain long-term financial sustainability

3. Rasio Aktivitas

Tabel 1.3
Indikator Total asset turn over PT Digitalisasi Mediatama Maxima Tbk
Periode 2018-2025
(In Million Rupiah)

Tahun	Sales	Total Activa	TATO
2018	Rp2.174	Rp33.507	8,10%
2019	Rp3.466	Rp710.344	0,49%
2020	Rp4.290	Rp800.067	0,54%
2021	Rp11.054	Rp1.085.766	1,02%
2022	Rp2.909	Rp1.134.699	0,26%
2023	Rp2.873	Rp173.010	0,24%
2024	Rp7.505	Rp778.231	0,96%
2025	Rp6.696	Rp863.204	0,78%

Sumber :data yang diolah

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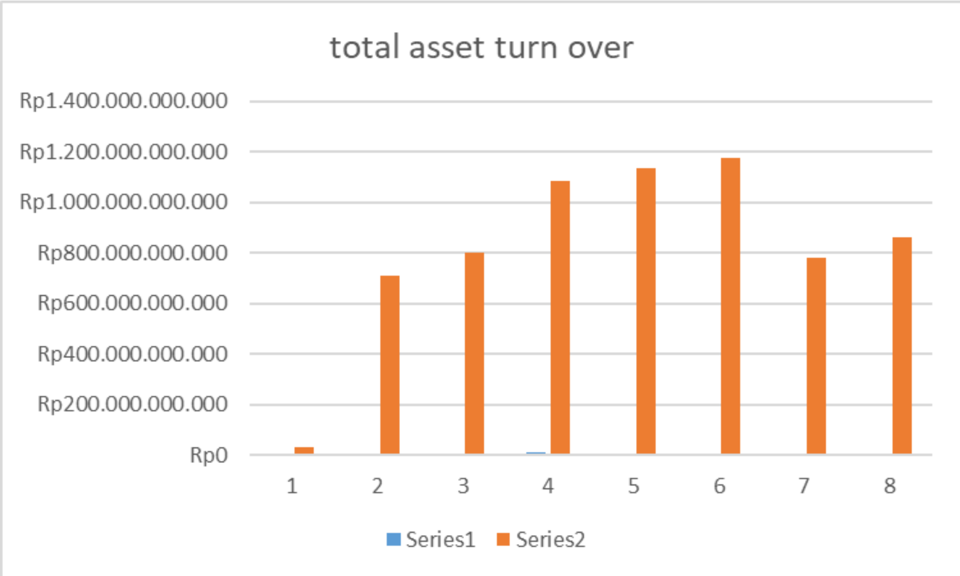

Figure 2.3
Total asset turn over periode 2018-2025

The Tato values indicate low asset productivity. The decline between 2022 and 2023 suggests inefficiency in converting assets into revenue. **Brigham and Ehrhardt (2017)** state that a low asset turnover ratio often results from poor inventory management, underutilized facilities, or slow receivable collection. To improve this ratio, the company should focus on optimizing operational processes, enhancing sales strategies, and maximizing the return on assets.

4. Rasio Profitabilitas

Tabel 1.4
Idikator Gross Profit Margin PT Digitalisasi Mediatama Maxima Tbk
Periode 2018-2025
(In Million Rupiah)

Tahun	LABA KOTOR	PENJUALAN	GPM
2018	Rp17.448	Rp58.550	29,80%
2019	Rp25.738	Rp211.002	12,20%
2020	Rp48.099	Rp517.198	9,30%
2021	Rp67.581	Rp1.150.441	5,87%
2022	Rp21.954	Rp559.590	3,92%
2023	Rp19.616	Rp532.559	3,68%
2024	Rp40.773	Rp661.448	6,16%
2025	Rp46.654	Rp345.755	13,49%

Sumber : data yang diolah

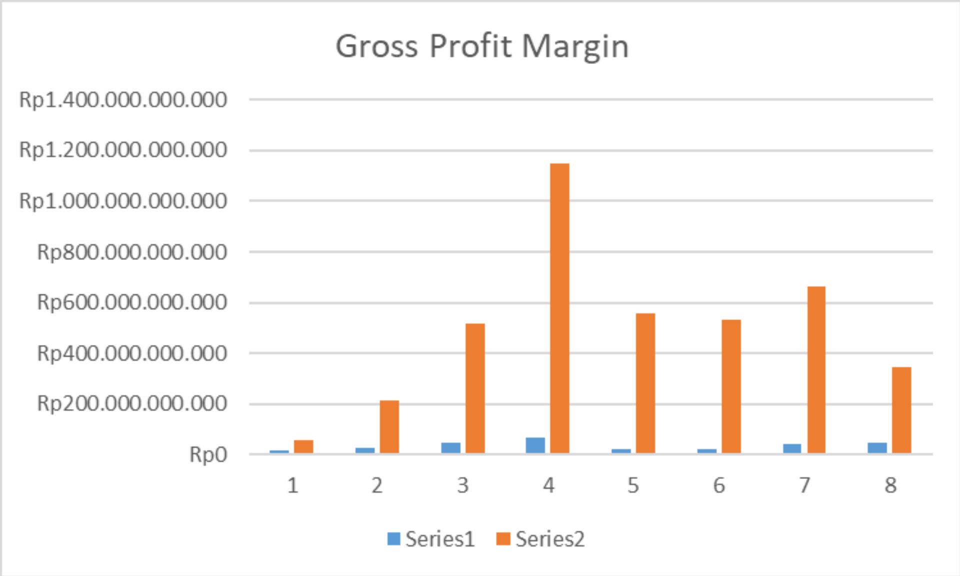

Figure 2.4
Gross Profit Margin Periode 2018-2025

The Gross Profit Margin shows a downward trend from 2018 to 2023, followed by significant recovery in 2025. This indicates that cost control improved toward the end of the observed period. According to **Kasmir (2019)** and **Gitman (2015)**, declining profitability is a warning sign of rising production costs or declining sales performance. Nevertheless, the rebound in 2025 demonstrates that management's strategic efforts may have succeeded in enhancing operational efficiency.

Discussion

The financial performance of PT Digitalisasi Mediatama Maxima Tbk during 2018– 2025 shows fluctuating results across all four key ratios—liquidity, solvency, activity, and profitability—indicating that the company experienced both financial strengths and structural weaknesses.

The liquidity ratio, measured by the Current Ratio (CR), consistently remained above the ideal benchmark, which suggests that the company had strong short-term solvency and was able to meet its current liabilities. However, the gradual decline after 2021 indicates less efficient management of working capital. According to Kasmir (2019), excessive liquidity may point to idle funds that do not generate returns. Thus, the company needs to maintain liquidity at an optimal level to balance financial security and asset productivity.

The solvency ratio, represented by the Debt to Equity Ratio (DER), increased sharply in 2024–2025, exceeding 3000%. This excessive leverage reflects heavy reliance on debt financing, which raises long-term financial risk. Gitman (2015) and Brigham & Houston (2018) emphasize that high leverage can magnify financial vulnerability when profits decline. PT Digitalisasi Mediatama Maxima Tbk should therefore rebalance its capital structure by reducing dependence on external debt and strengthening its equity position.

The activity ratio (TATO) remained low and unstable, indicating that assets were not fully utilized to generate revenue. This inefficiency suggests that asset growth was not matched by proportional increases in sales. Brigham and Ehrhardt (2017) note that low asset turnover often results from poor inventory or receivable management. To improve operational efficiency, the company needs to optimize its asset utilization and enhance sales performance through better resource allocation.

The profitability ratio (GPM) showed a declining trend from 2018 to 2023 but rebounded strongly in 2025. The improvement suggests that the company succeeded in reducing production costs or improving revenue management. As stated by Kasmir (2019), profitability growth reflects improved efficiency and cost control, both essential for maintaining competitiveness.

Overall, the company's financial profile shows strong liquidity but excessive leverage, low asset efficiency, and fluctuating profitability. This imbalance underlines the importance of integrated financial management. PT Digitalisasi Mediatama Maxima Tbk should maintain moderate liquidity, reduce debt ratios, and focus on improving operational efficiency and profitability to achieve sustainable financial stability.

Conclusion

Based on the ratio analysis for 2018–2025, PT Digitalisasi Mediatama Maxima Tbk displayed volatile yet insightful financial patterns. The liquidity ratio remained strong but gradually declined, solvency risk escalated sharply in the final two years, asset turnover remained weak, and profitability experienced a temporary downturn before recovering.

In summary, the company must:

1. **Rebalance its capital structure** by reducing debt reliance and increasing equity.
2. **Improve asset management** to enhance sales and operational efficiency.
3. **Strengthen profitability** through better cost control and pricing strategies.

According to **Brigham & Houston (2018)** and **Kasmir (2019)**, maintaining harmony among liquidity, solvency, activity, and profitability is essential for ensuring sustainable growth and maintaining investor confidence.

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