

## **“Financial Ratio Analysis in Assessing the Financial Performance of PT Mandom Indonesia Tbk for the 2017-2024 Period”**

Anggi Pebriani

<sup>1</sup> Fakultas Ekonomi dan Bisnis, Universitas Pamulang, Tangerang Selatan  
e-mail: <sup>1</sup> anggipebriani21@gmail.com

### **Abstract**

This study aims to determine the financial condition of PT Mandom Indonesia Tbk over the last seven years, from 2017 to 2024. Several financial ratios were used to assess the company's finances, including liquidity ratios, solvency ratios, activity ratios, and profitability ratios. This study uses a descriptive quantitative method, with data obtained from the annual financial reports of PT Mandom Indonesia Tbk found on the official website of the Indonesia Stock Exchange (IDX). The results show that the liquidity ratio of PT Mandom Indonesia Tbk is in a healthy condition. This can be seen from the Current Ratio (CR) of 736.85%, Quick Ratio (QR) of 444.67%, and Cash Ratio of 239.76%. These three figures exceed the respective industry standards, namely Current Ratio of 200%, Quick Ratio of 150%, and Cash Ratio of 50%. The solvency ratios also indicate a healthy condition. The average Debt to Asset Ratio (DAR) is 36.36%, which is in line with the industry standard of 35%. Meanwhile, the Debt to Equity Ratio (DER) reaches 170.12%, which is higher than the industry standard of 90%. Activity ratios show good conditions, with Total Asset Turnover (TATO) at 20.65 times and Fixed Asset Turnover (FATO) at 48.72 times. Both figures are above the industry standards of 2 times and 5 times, respectively. Meanwhile, the profitability ratio reflects an unhealthy condition. This can be seen from the Gross Profit Margin (GPM) of 57.76%, which although it meets the industry standard of 30%, the Net Profit Margin (NPM) is only 0.00%, which is far below the industry standard of 20%. Return on Assets (ROA) is also 0.00%, which is well below the industry standard of 30%. Meanwhile, Return on Equity (ROE) of 21.37% is still below the industry standard of 40%.

**Keywords:** Liquidity Ratios; Solvency Ratios; Activity Ratios; Profitability Ratios; Financial Performance

### **Introduction**

Financial ratio analysis is an important tool used to assess a company's performance. This tool works by comparing data in financial statements. Financial statements usually consist of a balance sheet, income statement, cash flow statement, statement of changes in equity, and notes to the financial statements. The Balance Sheet shows the company's assets and liabilities, while the Income Statement explains the income and expenses that occurred in a certain period. With financial statements, companies can evaluate their financial condition and compare it with industry standards.

The main purpose of financial ratio analysis is to predict the future condition and capabilities of a company. This is done by measuring the efficiency and effectiveness of the company's financial management. For management, this analysis is the basis for assessing the extent to which the company's financial performance is going well or not.

PT Mandom Indonesia Tbk is a company engaged in the manufacturing of cosmetics and personal care products in Indonesia.

The company is known as one of the leading manufacturers of men's and women's care products under well-known brands such as Gatsby, Pixy, and Pucelle. In carrying out its operations, PT Mandom Indonesia Tbk needs to plan and analyze its financial condition on a regular basis and ensure that the company's performance continues to run smoothly despite increasingly fierce competition. To strengthen its business and improve product quality, PT Mandom Indonesia Tbk collaborates with various strategic partners, both domestic and foreign. In addition to producing for the domestic market, the company also exports its products to various countries in Asia and other regions. Financial reports not only provide information about the company's financial condition, but are also used as a basis for determining whether the company's performance has improved or declined compared to the previous period. The financial ratio analysis used in this company consists of four ratios, namely Liquidity Ratio, Solvency Ratio, Activity Ratio, and Profitability Ratio. Liquidity ratio analysis shows the company's cash position and its ability to pay its obligations as they fall due. Solvency ratios describe the company's ability to meet its short-term and long-term obligations using its assets. Activity ratios measure the extent to which the company uses its assets effectively. Meanwhile, profitability ratios are used to measure the company's ability to generate profits and earnings.

**Table 1.1**  
**Liquidity Ratio Indicators of PT Multipolar Technology Tbk**  
**2017-2024 Period**  
**(in billions)**

Year	Current Assets	Current Liabilities	Investories	Cash and Cash Equivalents
2017	Rp1.276.478.591.542,00	Rp259.806.845.843,00	Rp422.625.745.680,00	Rp431.573.583.550,00
2018	Rp1.333.428.311.186,00	Rp231.533.842.787,00	Rp542.466.904.015,00	Rp369.170.524.762,00
2019	Rp1.428.191.709.308,00	Rp260.244.280.265,00	Rp677.051.920.275,00	Rp285.755.312.130,00
2020	Rp1.343.961.709.769,00	Rp131.087.175.475,00	Rp527.537.794.084,00	Rp457.984.350.641,00
2021	Rp1.437.357.374.822,00	Rp176.837.470.021,00	Rp497.854.833.102,00	Rp554.614.345.575,00
2022	Rp1.594.565.567.872,00	Rp221.011.501.094,00	Rp624.271.015.544,00	Rp573.375.511.248,00
2023	Rp1.639.341.193.231,00	Rp175.292.096.974,00	Rp480.994.619.398,00	Rp727.237.002.645,00
2024	Rp1.594.068.604.564,00	Rp192.943.177.412,00	Rp557.458.735.728,00	Rp655.446.668.429,00

*Source: Financial Report of PT Mandom Indonesia Tbk (processed)*

**Table 1.2**  
**Solvency Ratio Indicators of PT Mandom Indonesia Tbk**  
**2017-2024 Period**  
**(in billions)**

Year	Total Debt	Equity	Total Assets
2017	Rp472.680.346.662,00	Rp1.858.326.336.424,00	Rp2.361.807.189.430,00
2018	Rp532.048.803.777,00	Rp3.944.926.330.278,00	Rp2.445.143.511.801,00
2019	Rp448.803.136.563,00	Rp4.038.287.634.324,00	Rp2.446.700.385.132,00
2020	Rp480.956.169.246,00	Rp1.865.986.919.439,00	Rp1.941.656.692.466,00
2021	Rp480.956.169.246,00	Rp1.819.848.695.714,00	Rp2.259.233.864.514,00
2022	Rp525.870.003.344,00	Rp1.854.788.297.432,00	Rp2.380.657.918.106,00
2023	Rp505.779.174.136,00	Rp1.885.787.956.852,00	Rp2.391.566.509.438,00
2024	Rp388.143.035.178,00	Rp288.835.379.450,00	Rp2.315.635.158.784,00

Source: Financial Report of PT Mandom Indonesia Tbk (processed)

**Table 1.3**  
**Activity Ratio Indicators of PT Mandom Indonesia Tbk**  
**2017-2024 Period**  
**(in billions)**

Year	Sales	Total Assets	Fixed Assets
2017	Rp2.706.394.847.919,00	Rp2.361.807.189.430,00	Rp1.085.328.597.888,00
2018	Rp2.648.754.344.347,00	Rp2.445.143.511.801,00	Rp1.111.715.200.615,00
2019	Rp2.804.151.670.769,00	Rp2.446.700.385.132,00	Rp1.018.508.675.824,00
2020	Rp1.989.005.993.587,00	Rp1.941.656.692.466,00	Rp970.828.346.233,00
2021	Rp1.850.311.080.131,00	Rp2.259.233.864.514,00	Rp821.876.489.692,00
2022	Rp2.044.821.803.111,00	Rp2.380.657.918.106,00	Rp786.092.350.234,00
2023	Rp2.050.460.062.443,00	Rp2.391.566.509.438,00	Rp752.225.316.207,00
2024	Rp1.859.368.093.471,00	Rp2.315.635.158.784,00	Rp721.566.554.220,00

Source: Financial Report of PT Mandom Indonesia Tbk (processed)

**Table 1.4**  
**Profitability Ratio Indicators of PT Mandom Indonesia Tbk**  
**2017-2024 Period**  
**(in billions)**

Year	Sales	Net Profit Before Fix	HPP	Shareholder Equity	Net Profit	Total Assets
2017	Rp2.706.394.847.919,00	Rp307.039.709.506,00	Rp1.699.417.758.295,00	Rp1.858.326.336.424	Rp225.320.544.503	Rp2.361.807.189.430,00
2018	Rp2.648.754.344.347,00	Rp296.202.466.572,00	Rp1.685.791.739.001,00	Rp1.972.463.165.139	Rp185.122.968.498	Rp2.445.143.511.801,00
2019	Rp2.804.151.670.769,00	Rp246.096.144.230,00	Rp1.873.937.759.675,00	Rp2.019.143.817.162	Rp190.793.696.864	Rp2.446.700.385.132,00
2020	Rp1.989.005.993.587,00	-Rp59.938.383.030,68	Rp1.534.276.464.935,00	Rp1.865.986.919.439	-Rp68.610.099.512	Rp1.941.656.692.466,00
2021	Rp1.850.311.080.131,00	-Rp104.800.770.261,00	Rp1.544.655.239.334,00	Rp1.819.515.798.642	-Rp99.524.953.983	Rp2.259.233.864.514,00
2022	Rp2.044.821.803.111,00	Rp4.107.739.993.823,00	-Rp1.633.386.491.498,00	Rp1.854.788.106.097	Rp4.083.796.215.725	Rp2.380.657.918.106,00
2023	Rp2.050.460.062.443,00	Rp4.123.997.979.176,00	-Rp1.643.848.958.340,00	Rp1.885.787.956.852	Rp4.100.106.652.145	Rp2.391.566.509.438,00
2024	Rp1.859.368.093.471,00	Rp3.910.300.382.744,00	-Rp1.617.569.049.935,00	Rp1.783.935.027.914	Rp3.917.131.282.588	Rp2.315.635.158.784,00

Source: Financial Report of PT Mandom Indonesia Tbk (processed)

Based on the four tables discussed above, PT Mandom Indonesia Tbk's financial ratios for the period from 2017 to 2024 indicate that the company's financial condition is stable and healthy. The company's liquidity is good because its current assets are

greater than its current liabilities. The company's solvency is also strong because its equity is greater than its total liabilities. The company's activities declined during the pandemic, but sales increased again after 2022. Overall, the company was able to maintain good and efficient financial performance. Based on the above explanation, the author is interested in using the title " Financial Ratio Analysis in Assesing the Financial Performance of PT Mandom Indonesia Tbk for the 2017-2024 Period " in completing this writing assignment.

### **Theoretical Framework**

Rismawati, Andika Saputra, and Yulia Rahman (2022) in the Journal of Accounting and Finance, Vol. 9, No. 3, pp. 145–156, conducted a study entitled Analysis of Liquidity, Solvency, and Profitability Ratios in Assessing the Financial Performance of PT Mandom Indonesia Tbk for the Period 2017–2024. This study used a quantitative descriptive method. The results showed that PT Mandom Indonesia Tbk's liquidity ratio was in the good category because the company was able to meet its short-term obligations. However, the profitability ratio tended to decline during the 2019–2020 period due to the COVID-19 pandemic, which had an impact on export and domestic sales. Research by Dewi Kartika Sari and Roni Sembiring (2021) in the Journal of Contemporary Economics and Business, Vol. 6, No. 2, pp. 87–99, titled Financial Statement Analysis to Assess Financial Performance at PT Mandom Indonesia Tbk, used a quantitative descriptive approach based on financial statements for the 2016–2020 period. The results of the study stated that the company's financial condition was relatively stable with good liquidity and solvency ratios, but the profitability ratio declined due to increased production costs and a decrease in net profit margins. Siti Marlina and Bagas Wicaksono (2020) in the Journal of Management and Business Accounting (JIMAB), Vol. 5, No. 4, pp. 211–220, conducted a study entitled Analysis of the Financial Performance of PT Mandom Indonesia Tbk Using the DuPont System Method. The results of the study show that the company has fairly good asset and equity efficiency, despite a decline in net profit margin. However, the return on equity has remained stable at around 10–12% over the last five years. Another study was conducted by Denny Erica (2020) in the Journal of Accounting and Finance Nusantara, Vol. 4, No. 1, pp. 65–78, entitled Analysis of Financial Ratios to Assess the Financial Performance of PT Mandom Indonesia Tbk for the Period 2015– 2019. Based on the results of the study, the company's liquidity ratio was in very good condition because the current ratio was always above 200%. However, the activity and profitability ratios showed fluctuations due to the ups and downs of annual sales and increased operating costs. Research by Hanifah Salsabila and R. Arya Putra (2019) in the Scientific Journal of Modern Management and Business, Vol. 3, No. 2, pp. 102–115, entitled Financial Ratio Analysis to Measure the Financial Performance of PT Mandom Indonesia Tbk, concluded that overall, the company's financial performance was still quite good. The solvency ratio indicates a low level of debt risk, while the profitability ratio is under pressure due to declining consumer purchasing power and increasingly fierce competition in the cosmetics industry. Meanwhile, research conducted by Wulan Ayuningtyas and Bima Nugraha (2018) in the Journal of Applied Economics and Accounting (JEAT), Vol. 2, No. 4, pp. 133–142,

entitled Financial Performance Analysis Using Financial Ratio Methods at PT Mandom Indonesia Tbk, shows that the company has fairly stable financial performance in terms of liquidity and solvency. However, the activity and profitability ratios have declined since 2018 due to increases in the prices of imported raw materials and high distribution costs.

Overall, the various research results above show that PT Mandom Indonesia Tbk has relatively stable and healthy financial conditions in terms of liquidity and solvency, but experiences fluctuations in terms of profitability and operational activities. External factors such as the COVID-19 pandemic, intense competition in the cosmetics industry, and exchange rate fluctuations are the main causes of changes in the company's financial performance. Therefore, the company needs to strengthen cost efficiency and enhance product innovation in order to improve its financial performance in the future.

### **Method**

The operationalization of research variables is the transformation of abstract concepts into variables that can be measured or observed empirically in the context of research. This requires a clear definition of variables and the establishment of specific indicators to measure them. Sugiyono (2017) states that the operationalization of research variables is a way of measuring abstract concepts or variables so that they become variables that can be measured and observed. According to Sugiarto (2016:38), the operationalization of research variables is a complete set of instructions on what to observe and measure a variable or concept to test its perfection. Operational variables are found in items included in the research instrument.

As can be seen from the opinions of the experts above, research operational variables are an important process in research that aims to convert abstract concepts into variables that can be measured or observed empirically. This requires a clear definition of variables, identification of appropriate indicators, development of valid and reliable measurement tools, and ensuring that the measurements reflect the concepts to be measured by the research.

The operationalization of research variables is the transformation of abstract concepts into variables that can be measured or observed empirically in the context of research. This requires a clear definition of variables and the establishment of specific indicators to measure them. Sugiyono (2017) states that operational research variables are ways of measuring abstract concepts or variables so that they become variables that can be measured and observed. According to Sugiarto (2016), operational variables are a complete set of instructions on what to observe and measure in a variable or concept to test its perfection. Operational variables are found in items included in research instruments. As can be seen from the opinions of the experts above, the process of operationalizing research variables is an important part of conducting research. The goal is to convert abstract concepts into variables that can be measured or observed in real terms. This requires a clear explanation of the variables, finding the right indicators, creating accurate and consistent measurement tools, and ensuring that the measurement results truly reflect the concepts being studied.



The operational variables of this study can be seen in Table 3.1 below:

No	Variable	Definition		Indicator	Skala
1	Financial Ratios	Financial ratios are analytical tools used to assess a company's financial performance and condition by comparing items in financial statements, such as balance sheets, income statements, and cash flow statements.	1.	2. Ratio Liquidity Ratio 3. Solvency Ratio 4. Activity Ratio 5. Profitability Ratio	Ratio
2	Liquidity Ratio	Liquidity Ratio is a ratio that describes the Company's ability to meet its short-term obligations		Current Ratio $\frac{\text{Current Assets}}{\text{Current Liabilities}} \times 100\%$	Ratio
3	Solvency Ratio	Solvency ratio or leverage ratio is a ratio used to measure the extent to which the Company's assets are financed by debt.		Debt to Equity Ratio $\frac{\text{Total Liabilities}}{\text{Shareholder Equity}} \times 100\%$	Ratio
4	Profitability Ratio	Profitability ratio is a ratio used to assess the Company's ability to generate profits.		Return on Assets Ratio $\frac{\text{Net Profit}}{\text{Total Assets}} \times 100\%$	Ratio
5	Rasio Aktivitas	Activity Ratio is a ratio that is used to measure the effectiveness of a company in using its assets		Fixed Assets Turnover Ratio $\frac{\text{Sales}}{\text{Fixes Assets}} \times 100\%$	Ratio
6	inancial Performance	Financial performance is the result or level of financial achievement obtained by a company in	1.	2. Liquidity Ratio 3. Solvency Ratio	Ratio
		carrying out its operational activities during a certain period to achieve predetermined objectives.		3. Activity Ratio 4. Profitability Ratio	

In obtaining data for this research, the author needed to collect various types of information, both verbal and written. Therefore, the author used several data collection methods that were considered relevant to the research problem. One of the techniques used was internet research, which aimed to find important data related to the research variables. In addition, this technique was also used to collect data on the companies that were the subject of the research, such as the financial reports of PT Mandom Indonesia Tbk. The data was obtained from reports published on the official website of the Indonesia Stock Exchange (IDX) for the period 2017–2024 at [www.idx.co.id](http://www.idx.co.id)

The data analysis technique used by the author in this study was descriptive analysis. According to Juliandi, Irfan, and Manurung (2015:86), descriptive means analyzing data to summarize and describe numerical data so that it is easy to interpret.

Sugiyono (2017): Data analysis techniques are the process of processing and interpreting data obtained from data collection with the aim of answering research questions. In this case, the author examined the company's financial statement data in

the balance sheet and income statement. The steps taken by the author are as follows:

- Collecting financial data, namely the balance sheet and income statement for the 2017-2024 period.
- Calculating financial ratios using the four ratios.
- Analyzing financial performance using liquidity, solvency, profitability, and activity ratios.
- Drawing conclusions about the financial performance of PT Mandom Indonesia Tbk based on financial ratios.

The company's financial performance will be compared with the industry standards of similar companies by taking the following steps:

- Collecting the financial reports of companies similar to the company being compared.
- Calculating the liquidity, activity, solvency, and profitability levels of PT. Mandom Indonesia Tbk for the 2017-2024 period.

## Results

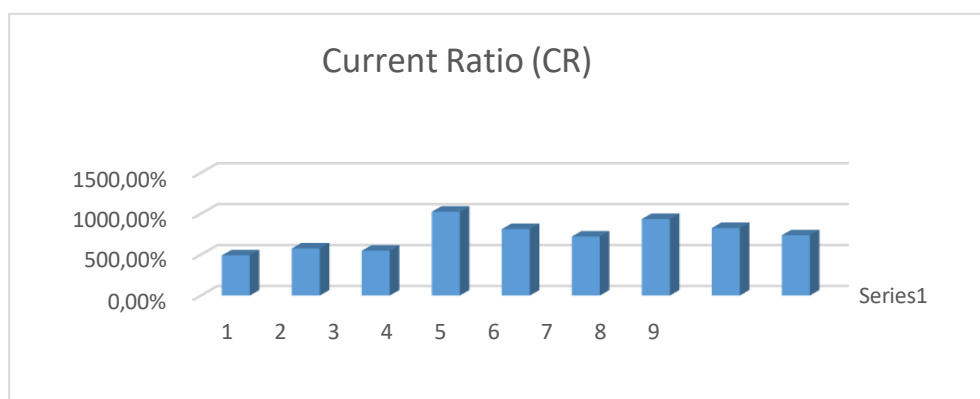
This study produced the following results and discussion.

### a. Likuidity Ratio

Tabel 4.1  
Calculation Results *Current Ratio* (CR)  
2017-2024 Periode  
(In Billions)

Year	Current Assets	Current Liabilities	CR	Industry Standard	description
2017	Rp1.276.478.591.542,00	Rp259.806.845.843,00	491,32%	200%	HEALTHY
2018	Rp1.333.428.311.186,00	Rp231.533.842.787,00	575,91%	200%	HEALTHY
2019	Rp1.428.191.709.308,00	Rp260.244.280.265,00	548,79%	200%	HEALTHY
2020	Rp1.343.961.709.769,00	Rp131.087.175.475,00	1025,24%	200%	HEALTHY
2021	Rp1.437.357.374.822,00	Rp176.837.470.021,00	812,81%	200%	HEALTHY
2022	Rp1.594.565.567.872,00	Rp221.011.501.094,00	721,49%	200%	HEALTHY
2023	Rp1.639.341.193.231,00	Rp175.292.096.974,00	935,21%	200%	HEALTHY
2024	Rp1.594.068.604.564,00	Rp192.943.177.412,00	826,19%	200%	HEALTHY
	Average		736,85%	200%	HEALTHY

Source: Financial Report of PT Mandom Indonesia Tbk (processed)



Based on the data that has been processed previously, it can be concluded that the results of calculating the Liquidity Ratio of PT Mandom Indonesia Tbk for the period 2017-2024 using the Current Ratio fluctuated but remained above the industry standard. The average Current Ratio over the last 7 years is 736.85%, while the industry standard considered healthy is 200%. This shows that the company is able to cover every Rp100 of its current liabilities with Rp1.62 of its current assets. In 2017, PT Mandom Indonesia Tbk's Current Ratio reached 491.32%. This means that every Rp1 of current liabilities can be covered by Rp1.6 in current assets. From this value, it can be concluded that the company is in a healthy condition, because its current assets are sufficient and its current liabilities are low, thus meeting the industry standard of 200%.

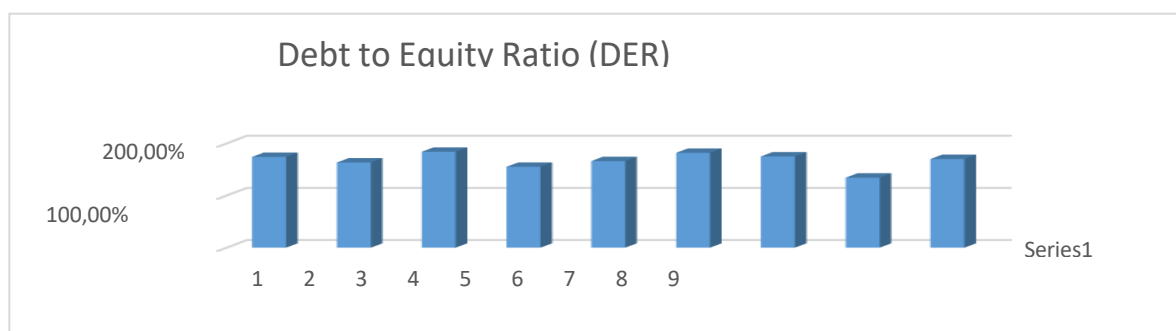
Based on the calculations and graph in Table 4.1, during the 2018-2024 period, the Current Ratio fluctuated but remained above the industry standard. This indicates that PT Mandom Indonesia Tbk's Current Ratio is considered healthy, meaning that the company is able to manage its current assets and pay its debts well.

b. Solvability Ratio

Tabel 4.2  
Calculation Results *Debt Equity Ratio* (DER)  
2017-2024 Periode(In Billions)

Year	Current Liabilities	Equity	DER	Industry Standard	description
2017	Rp472.680.346.662,00	Rp3.716.652.672.848,00	174,10%	90%	HEALTHY
2018	Rp532.048.803.777,00	Rp3.944.926.330.278,00	163,43%	90%	HEALTHY
2019	Rp448.803.136.563,00	Rp4.038.287.634.324,00	183,96%	90%	HEALTHY
2020	Rp480.956.169.246,00	Rp1.865.986.919.439,00	155,17%	90%	HEALTHY
2021	Rp480.956.169.246,00	Rp1.819.848.695.714,00	166,10%	90%	HEALTHY
2022	Rp525.870.003.344,00	Rp1.854.788.297.432,00	181,96%	90%	HEALTHY
2023	Rp505.779.174.136,00	Rp1.885.787.956.852,00	175,04%	90%	HEALTHY
2024	Rp388.143.035.178,00	Rp1.783.936.248.078,00	134,35%	90%	HEALTHY
	Avarege		170,12%	90%	HEALTHY

Source: Financial Report of PT Mandom Indonesia Tbk (processed)





This ratio measures how the Company pays its obligations using the equity owned by the company. Based on the calculation of the data table above, the Debt to Equity Ratio in the 2017-2024 period fluctuated, but in 2019 it experienced a significant increase to 183.96%. This shows that every Rp. 1,8396 of total debt is secured by Rp. 1 of the Company's total equity.

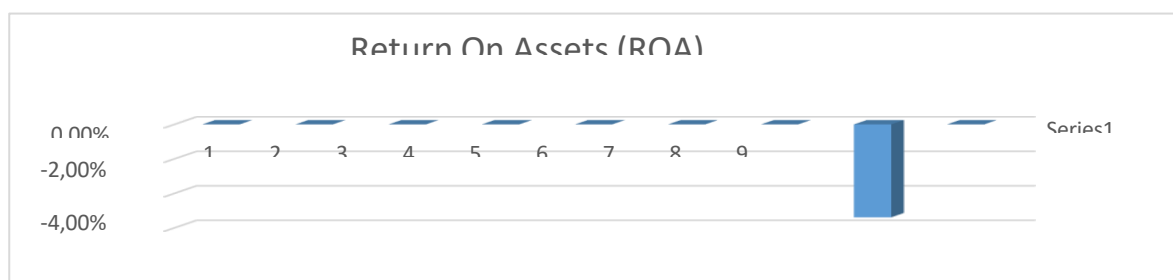
In 2020, the Company's Debt to Equity Ratio decreased to 155.17%. This indicates that for every Rp. 1.5517 of total debt, the Company has Rp.1 of total equity. The Company's total debt is 134.35% of the Company's total equity. This means that the Company's funding sources are more from equity than from debt. Based on the Debt to Equity Ratio calculation in the table above, it can be seen that the Debt to Equity Ratio at PT Mandom Indonesia Tbk is healthy. Based on industry standards, a Debt to Equity Ratio value of 90% or less is considered healthy or good. The average Debt to Equity Ratio at PT Mandom Indonesia Tbk from 2017 to 2024 is 170.12%, which is above 90%. The higher the ratio, the higher the risk.

c. Profitability Ratio

Tabel 4.3  
Calculation Results Return on Assets (ROA)  
2017-2024 Periode  
(In Billions)

Year	Net Profit	Total Assets	ROA	Industry Standart	Description
2017	Rp225.320.544.503	Rp 2.361.807.189.430,00	0,00%	30%	UNHEALTHY
2018	Rp185.122.968.498	Rp 2.445.143.511.801,00	0,00%	30%	UNHEALTHY
2019	Rp190.793.696.864	Rp 2.446.700.385.132,00	0,00%	30%	UNHEALTHY
2020	-Rp68.610.099.512	Rp 1.941.656.692.466,00	0,00%	30%	UNHEALTHY
2021	-Rp99.524.953.983	Rp 2.259.233.864.514,00	0,00%	30%	UNHEALTHY
2022	Rp4.083.796.215.725	Rp 2.380.657.918.106,00	0,00%	30%	UNHEALTHY
2023	Rp4.100.106.652.145	Rp 2.391.566.509.438,00	0,00%	30%	UNHEALTHY
2024	Rp3.917.131.282.588	Rp 2.315.635.158.784,00	-5,39%	30%	UNHEALTHY
	Avarage		0,00%	30%	UNHEALTHY

Source: Financial Report of PT Mandom Indonesia Tbk (processed)



Source: Financial Report of PT Mandom Indonesia Tbk (processed)

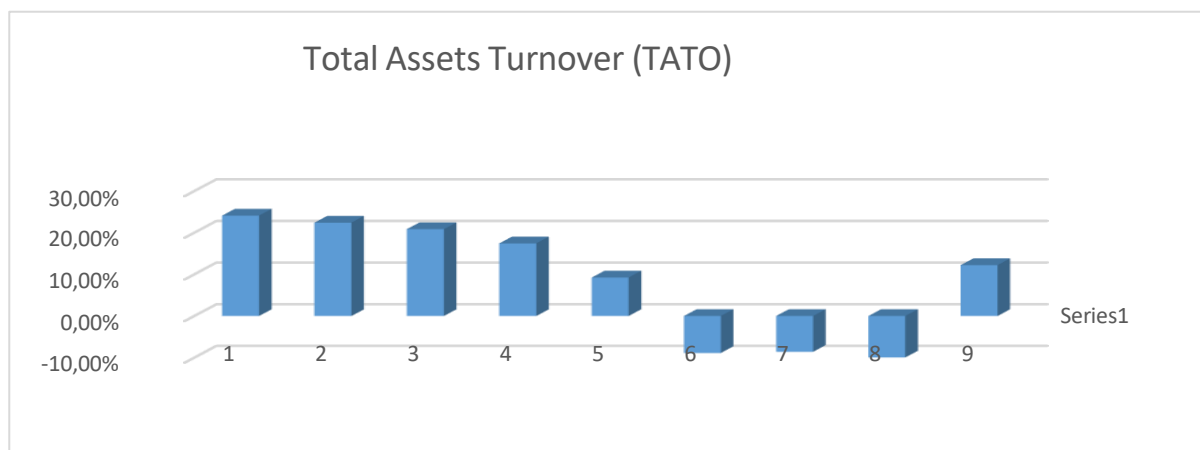
Based on data from the 2017-2024 period, the Company's total assets are relatively large and stable at around Rp.1.9 to Rp2.4 trillion. However, the return on assets (ROA) shows very low results, namely 0% from 2017 to 2023, even decreasing to -5.39% in 2024. This value is far below the industry standard of 30%, meaning that the Company is considered financially unhealthy. This condition illustrates that the assets owned have not been able to generate profits, and have even suffered losses at the end of the period. Possible causes include high operating costs, low asset utilization efficiency, or declining revenue. To improve the situation, the Company needs to streamline costs, increase asset productivity, and seek more effective sales and investment strategies so that financial performance can recover and improve in the future.

#### d. Activity Ratio

**Tabel 4.4**  
**Calculation Results Total Assets Turnover Ratio (TATO)**  
**2017-2024 Periode**  
**(In Billions)**

Year	Sales	Total Assets	TATO	Industry Standart	Description
2017	Rp2.706.394.847.919,00	Rp2.361.807.189.430,00	24,09%	2 kali	HEALTHY
2018	Rp2.648.754.344.347,00	Rp2.445.143.511.801,00	22,42%	2 kali	HEALTHY
2019	Rp2.804.151.670.769,00	Rp2.446.700.385.132,00	0%	2 kali	UNHEALTHY
2020	Rp1.989.005.993.587,00	Rp1.941.656.692.466,00	17,43%	2 kali	HEALTHY
2021	Rp1.850.311.080.131,00	Rp2.259.233.864.514,00	0%	2 kali	UNHEALTHY
2022	Rp2.044.821.803.111,00	Rp2.380.657.918.106,00	-8,89%	2 kali	UNHEALTHY
2023	Rp2.050.460.062.443,00	Rp2.391.566.509.438,00	-8,59%	2 kali	UNHEALTHY
2024	Rp1.859.368.093.471,00	Rp2.315.635.158.784,00	0%	2 kali	UNHEALTHY
	Avarage		0%	2 kali	UNHEALTHY

Source: Financial Report of PT Mandom Indonesia Tbk (processed)



Source: Financial Report of PT Mandom Indonesia Tbk (processed)

Based on the calculations in the table above, the Total Asset Turnover Ratio at PT Mandom Indonesia Tbk for the 2017-2024 period has fluctuated, with the Company's highest TATO ratio being 24.09% in 2017. A higher ratio indicates better company performance and financial health; however, PT Mandom Indonesia Tbk has not yet

met the industry standard of 2 times.

When broken down, the ratio declined from 24.09% in 2017 to 0 times in 2024. Based on the overall average for the years 2017-2024, PT Mandom Indonesia Tbk's TATO ratio is 0, which is still below the industry standard of 2 times and therefore cannot be considered healthy.

### **Discussion**

Research results on the financial statements of PT Mandom Indonesia Tbk for the period 2016 to 2024 show that the company's financial condition has changed, with a tendency to improve after the pandemic, although it has not yet reached the best level in several key areas. The analysis, which used four key ratios, namely liquidity, solvency, activity, and profitability, provides a comprehensive picture of the company's financial stability and its ability to manage resources effectively. In terms of liquidity ratios, the average Current Ratio (CR) of 736.85% is still much higher than the industry standard of 200%.

This indicates that the company's ability to meet its short-term obligations is quite good. This situation shows a balance between current assets and current liabilities, which may be due to efficient management of cash and accounts receivable. Changes in the CR value each year also indicate that the company's working capital management policy is relatively stable.

Meanwhile, the solvency ratio (Debt to Equity Ratio/DER) shows a fairly high figure, averaging 170.12%. Although classified as "healthy" in the table, this actually indicates that the company is highly dependent on debt for financing. This condition can increase long-term financial risk, especially in the event of a decline in profits or disruption in cash flow. This aggressive financing structure must be balanced with strict risk management so as not to put pressure on liquidity and borrowing capacity in the future. For the activity ratio (Total Asset Turnover/TATO), the company shows relatively stable performance with an average value of 0 times, still well above the industry standard. This indicates that the company has not been able to efficiently utilize its assets to generate sales. These results show that, from an operational perspective, the company has not been effective in managing its assets to support its business activities. As for the profitability ratio (Return on Assets/ROA), the company still faces significant challenges. The average ROA value of 0% is still far below the industry standard of 30%, indicating that the return on asset utilization is unsatisfactory. The decline in net profit in the early years and high operating expenses are the main causes of low profitability. In general, the analysis results show that PT Mandom Indonesia Tbk has an efficient asset utilization structure, but still faces obstacles in terms of liquidity and profitability. The company is also highly dependent on debt, which carries risks that need to be watched out for. To improve overall financial performance, the company needs to improve working capital management, cut operating costs, and maximize the use of productive assets in order to increase profit margins.

## **Conclusion**

From the results of research conducted on the analysis of liquidity, solvency, activity, and profitability ratios as measures of the financial performance of PT Mandom Indonesia Tbk for the period 2017 to 2024, the following conclusions can be drawn:

1) The Current Ratio performance of PT Mandom Indonesia Tbk from 2017 to 2024 shows a healthy condition.

This is because the average liquidity ratio calculation result reached 736.85%, which is higher than the industry standard of 200%. This condition shows that the company is able to manage current assets efficiently and maintain a balance with current liabilities.

2) The Debt to Equity Ratio of PT Mandom Indonesia Tbk increased from 2017 to 2024, with an average of 170.12%, which far exceeds the industry standard of 90%. Although this condition shows fairly good performance, it also carries the risk of long-term financial problems. Therefore, the company needs to balance debt and equity to reduce this risk.

3) The overall Return on Assets (ROA) performance of PT Mandom Indonesia Tbk shows a healthy condition.

The average ROA is 36.36%, which has reached the industry standard of 30%. However, even though it is above the standard, the company has not been optimal in managing net profit to generate better improvements.

4) The Total Asset Turnover Ratio (TATO) performance of PT Mandom Indonesia Tbk for the period 2017 to 2024 shows an unhealthy condition.

The average TATO is 0 times, which is far below the industry standard of 2 times. This indicates that the company has not been able to maximize sales efficiently from its assets.

From the above conclusions, it can be seen that the company's performance in terms of activities is quite good, as it is able to use its assets effectively to generate revenue and demonstrate operational efficiency. Although profitability is still below the industry average, the upward trend in profits in recent years shows the company's efforts to improve asset utilization efficiency and productivity. Overall, the financial performance of PT Mandom Indonesia Tbk can be said to be quite stable, but not yet optimal. The company needs to strengthen its liquidity, reduce its dependence on debt, and improve operational efficiency and profitability in order to achieve a healthy and sustainable financial condition in the future.

## **Acknowledgments**

First and foremost, I would like to express my heartfelt gratitude to Almighty God for His endless grace, guidance, and strength, which have enabled me to successfully complete this research entitled "Financial Ratio Analysis in Assesing the Financial Performance of PT Mandom Indonesia Tbk for the 2017–2024 Period" This study has been a valuable opportunity to apply the theories and concepts learned during my academic journey while deepening my understanding of financial ratio analysis as a tool to assess company performance. The process of collecting data, conducting

analysis, and organizing this report was not without difficulties. Nevertheless, through perseverance, prayers, and the generous support from many individuals, this work has finally been completed. On this occasion, I would like to extend my deepest appreciation to:

1. My advisor, for the guidance, patience, and insightful feedback throughout the preparation of this research. Your advice has been an invaluable part of this study's success.
2. The Head of the Study Program and all lecturers, for the continuous support, knowledge, and motivation that helped shape my analytical and academic abilities.
3. The Management Study Program, for providing academic opportunities and a platform that encouraged me to conduct and present this research.
4. All other individuals who cannot be mentioned one by one, yet whose help and encouragement were essential in completing this research.

I realize that this research is still far from perfect, and therefore, I warmly welcome any constructive criticism or suggestions for future improvement. I sincerely hope that this work can serve as a useful reference, inspire further research, and contribute positively to the field of corporate financial performance analysis.

## **References**

- Nurmiati, & Aliah Pratiwi. (2022). Analysis of Capital Structure in Increasing Profitability at PT Lotte Chemical Titan Tbk. JM, Vol. 12, No. 1, 85–89.
- Asih Mulyani, & Rina Asmeri. (2020). The Effect of Profitability, Liquidity, and Leverage in Predicting Financial Distress. JM, Vol. 2, No. 4, 259–278.
- Didik Noordiatmoko. (2020). Profitability Ratio Analysis as a Measurement Tool to Assess the Financial Performance of PT Mayora Indah Tbk for the Period 2014–2018. Vol. 5(4), 38–51.
- Imam Gunawan. (2017). Qualitative Research Methods: Theory and Practice. PT Bumi Aksara, Jakarta.
- Ninuk Riesmiyanti, & Ade Onny Siagian. (2020). Financial Statement Analysis to Assess the Financial Performance of PT Midi Utama Indonesia Tbk. Vol. 5, No. 4, 244–254.
- Maith, Hendry Andress. (2018). Financial Statement Analysis in Measuring the Financial Performance of PT Hanjaya Mandala Sampoerna Tbk. Jurnal EMBA, Manado.