

ANALYZE THE FINANCIAL PERFORMANCE OF PT CHANDRA ASRI PETROCHEMICAL TBK (TPIA) FROM 2020 TO 2024 USING A GROWTH RATIO APPROACH

Azka Aulia Utami¹, Rayi Nurul Ismayanti²

¹² Management Study Program, Faculty of Economics and Business,
Pamulang University

*Corresponding author's email address:

rayinuruli@gmail.com

Abstract

This study aims to analyze the financial performance of PT Chandra Asri Petrochemical Tbk (TPIA) from 2020 to 2024 using a growth ratio approach. The research employs a descriptive quantitative method, utilizing secondary data from the company's annual financial reports published on the Indonesia Stock Exchange (IDX). The findings indicate that the company's financial performance has been fluctuating. In 2021, there was a peak in growth, marked by a significant increase in sales and net profit. However, from 2022 to 2024, the performance declined due to rising raw material prices and weakening global demand. Despite this, total assets showed a positive trend, suggesting the company's ability to maintain long-term financial stability.

Keywords: Growth Ratio, Financial Performance

Introduction

Financial performance is a way to assess the extent to which a company implements financial regulations properly and correctly (Irhan Fahmi 2011:2). Financial performance is crucial for maintaining business continuity, both internally and externally. This financial performance can be seen through the company's financial reports and serves as a primary source of information for external parties (Mustika and Farikhah, 2021).

According to Jumingan (2014: 6), financial reports are prepared to periodically communicate a company's progress. By reviewing financial reports over several periods, we can determine whether a company's financial performance is good or not. These financial reports are very helpful for the public, investors, shareholders, and management in making decisions and managing company assets. Company growth is highly dependent on funds provided by investors, so companies need to perform well to gain investor confidence.

Financial performance assessments also serve to demonstrate to investors and the general public that the company has good credibility. A company with good credibility will encourage investors to invest. Financial report analysis, as a measure

of a company's financial performance, also serves as a management tool in the decision-making process, enabling it to create appropriate and strategic policies for the smooth operation of the company.

Growth ratios illustrate a company's ability to maintain its economic position despite growth in the business sector and the economy in general. This analysis examines the rate of sales growth, net profit growth, earnings per share growth, and dividend per share growth (Kasmir, 2010).

PT Chandra Asri Petrochemical Tbk in Indonesia produces olefin and polyolefin products and is a major supplier to the domestic packaging, automotive, and consumer goods industries (Chandra Asri, 2022 Annual Report). Over the past few years, the company has experienced significant changes in its financial performance. These changes were driven by several factors, including changes in naphtha prices, regional petrochemical market conditions, and operational factors such as plant maintenance. For example, the company's net income decreased by 9.4% in 2023 compared to 2022. This fact has attracted the attention of many parties, including management, investors, and regulators, as it indicates that the company is not only facing external pressures but also must maintain healthy growth to remain competitive.



Figure 1. Revenue data of PT Chandra Asri Petrochemical TBK

Based on data from 2020 to 2025, PT Chandra Asri's revenue increased gradually from June 2023 to June 2025. At the beginning of this period, the company's revenue was still around \$600 million, then steadily increased to reach around \$2.4 billion in mid-2025.

This increase in revenue indicates that the company has successfully improved its performance, both in terms of production and sales, thus achieving significant revenue growth. The sharp increase in 2025 indicates increasing market demand for the company's petrochemical products.

Meanwhile, EPS, indicated by the gray line, also increased during the same period. This indicates the company's ability to generate earnings per share is improving, in line with increasing revenue. The forecast line in yellow indicates future performance predictions, which follow the upward trend in revenue and EPS. Therefore, investors expect the company's business prospects to improve in the future.

This study uses a growth ratio approach to analyze PT Chandra Asri's financial performance over a specific period. The primary objective is to identify changes in several financial ratios, such as revenue growth, net profit growth, equity growth, and potential asset or liability growth. This analysis is important because understanding the direction of changes in financial ratios helps evaluate whether a company's performance is sustainable, both within a specific period and over time (Brigham & Houston, 2019).

This research is important because it not only evaluates PT Chandra Asri's past performance but also provides insight into management steps that can be taken to improve future financial growth. By understanding which indicators are increasing, remaining unchanged, or declining, the company can make more informed strategic decisions (Hossain et al., 2021).

Theoretical Framework

A. Financial Statement

Financial statement analysis consists of two words: "analysis" and "financial statement." Analysis is the process of breaking down a problem and explaining the relationships between the components to form a comprehensive understanding. Meanwhile, financial statements are a structured presentation of a company's financial condition and performance.

Fahmi (2012: 21) states that financial statements are information that shows a company's financial condition and can be used to illustrate its performance. PSAK No. 1 (revised 2009) also defines financial statements as a structured presentation of an entity's financial condition and performance. Therefore, financial statements are crucial information for assessing a company's development.

According to Munawir (2019), financial statement analysis is a method for understanding the relationships and trends of various financial items in order to evaluate a company's financial condition and operational performance. This analysis helps identify the company's strengths, weaknesses, opportunities, and risks financially. One method used in financial statement analysis is financial ratio analysis, which is used to show the relationships between items in the financial statements.

B. Financial Performance

Financial performance explains how well a company has achieved its financial goals. This performance can be seen through the information contained in the company's financial statements. Financial performance is the result of a

company's financial performance, as reflected in the financial statements. Several analytical tools can be used to display a company's financial performance (Kurniasari, 2014).

Financial performance is an analytical process aimed at assessing the extent to which a company is able to carry out its financial activities effectively and in accordance with regulations, for example by preparing financial statements that comply with the standards or provisions of Financial Accounting Standards (SAK) or Generally Accepted Accounting Principles (GAAP), among others (Fahmi, 2012).

C. Growth Ratios

Growth ratios are used to determine the extent of increase or decrease in key sections of financial statements. According to Harahap (2019), growth ratios include growth in sales, net profit, assets, and equity, reflecting a company's ability to expand its business.

Riyanto (2018) also explains that positive growth indicates a company's ability to increase efficiency and productivity, while negative growth can indicate problems with operations, cost efficiency, or market demand.

According to Kasmir (2012), growth ratios can be written as follows:

1. Sales Growth

Sales growth indicates how well a company is increasing sales compared to its previous total sales.

The formula for calculating sales growth is:

$$\text{Sales growth} = \frac{\text{Sales } t - \text{sales } t1}{\text{Sales } t1} \times 100\%$$

2. Net Profit Growth

Net profit growth indicates how well a company is able to increase its net profit compared to its total profit. The formula for calculating net profit growth is:

$$\text{Net Profit Growth} = \frac{\text{Laba bersih tahun berjalan } t - \text{laba bersih tahun berjalan } t1}{\text{laba bersih tahun berjalan } t1} \times 100\%$$

Method

This research uses a quantitative descriptive approach, a method that aims to describe and explain a financial phenomenon based on numerical data taken from the company's financial statements. This approach was chosen because it provides an objective picture of the financial condition and success of PT Chandra Asri Petrochemical Tbk through the calculation of growth ratios for the period 2020 to 2024.

This quantitative descriptive method focuses on analyzing numerical data, which is then interpreted to determine the direction of change in the variables studied, such as sales growth, net profit, assets, and equity. Therefore, this research not only presents financial data but also analyzes changes and developments in the company's financial performance from year to year.

Results

Table 1. Financial report data of PT Chandra Asri Petrochemical Tbk

No	Financial Component	Year (US\$)				
		2020	2021	2022	2023	2024
1	Net sales	1.806,44	2.580,43	2.384,59	2.159,93	1.785,36
2	Net profit	51,35	151,99	-149,54	-33,58	-56,73
3	Total assets	3.593,75	4.993,06	4.929,87	5.614,45	5.658,87
4	Gross profit	165,12	345,02	-10,95	-81,83	-48,32

Source: PT Chandra Asri Petrochemical Tbk

Based on the table above, the company's revenue growth shows unstable results. 2021 was the year with the highest growth, at US\$2,580.43 million compared to 2020. This was due to increased demand for petrochemical products and the economic recovery following the COVID-19 pandemic, which impacted product selling prices. However, in 2022, 2023, and 2024, revenue decreased by 7.59%, 16.29%, and 30.81%, respectively. This condition indicates pressure from rising raw material prices and a weakening petrochemical sector.

Gross profit followed the revenue trend. In 2021, gross profit increased to US\$345.02 million, demonstrating efficient operations and a healthy profit margin. However, 2022 marked a turning point, as gross profit declined, resulting in a loss of US\$10,954 million. This was due to a significant increase in production costs due to fluctuations in global crude oil prices and a decline in the selling price of finished products. In 2023 and 2024, the company began to recover, with gross profit reaching US\$81.83 million and US\$48.32 million, respectively, demonstrating efforts to improve efficiency and control production costs.

Net profit experienced significant changes during the study period. In 2021, the company achieved its highest net profit of US\$151.99 million, nearly tripling the US\$51.35 million recorded in 2020. However, in 2022, net profit abruptly turned into a loss of US\$149.54 million, driven by rising production costs, declining global market demand, and pressure from high energy prices. Although the company still experienced losses of US\$33.58 million and US\$56.73 million in 2023 and 2024, these figures were smaller than in 2022. This indicates a gradual improvement in the company's financial management.

Overall, the company's total assets have experienced positive growth year after year. In 2020, total assets reached US\$3,593.75 million, increasing to US\$5,614.45 million in 2023. However, in 2024, total assets decreased slightly to US\$5,558.87 million. This indicates that the company continues its investment and expansion

efforts despite facing profit pressures. The increase in assets demonstrates management's confidence in the long-term prospects and growth of the petrochemical industry in Indonesia.

Conclusion

Based on the financial report analysis of PT Chandra Asri Petrochemical Tbk from 2020 to 2024 using the growth ratio method, it can be concluded that the company's financial situation has experienced changes, sometimes going up and sometimes down, but overall it has remained fairly stable and shows a positive trend. The analysis of growth ratios such as sales, gross profit, net profit, and total assets clearly shows the company's ability to maintain its performance despite the changing economic conditions each year.

In 2020, the company's performance slightly declined due to the impact of the COVID-19 pandemic, which caused a drop in demand in the global petrochemical industry. However, in 2021 and 2022, the company experienced significant improvements, especially seen in the growth of net profit, which increased by more than 30%.

This shows that the company's management was able to quickly recover performance, either by reducing costs or increasing production capacity.

Meanwhile, in 2023, the company experienced a decline in growth ratios across nearly all financial indicators. This decline was influenced by external factors such as rising raw material prices and global economic pressures, which affected market demand. However, the company managed to maintain growth in total assets, indicating that PT Chandra Asri Petrochemical Tbk continued to strive for financial stability. In 2024, the growth ratio began to show a positive trend, signaling that the company was able to adapt to market changes through stricter efficiency and cost control strategies.

This study shows that growth ratio can be an effective tool for measuring sustainable financial performance.

From this ratio, it is clear that PT Chandra Asri Petrochemical Tbk has the ability to recover from economic pressures and maintain growth even as industry conditions continue to change.

References

- Rihatiningtyas, N., & Farida, I. (2020). *Financial ratio analysis*. Deepublish.
- Syafrida, H., & Ardiansyah. (2020). *Introduction to financial statement analysis*. Mitra Wacana Media.
- Mulyadi, D. (2020). *Corporate financial management: Theory and applications*. Alfabeta.
- Rukmana, D. (2021). *Financial statement analysis for business decision-making*. CV Budi Utama.
- Marieta, M. (2021). *Corporate financial management*. Deepublish.
- Hery. (2021). *Accounting theory and financial statements*. Grasindo.
- Hery. (2022). *Financial statement analysis: A practical approach*. Grasindo.

- Kasmir. (2022). *Financial statement analysis* (Revised ed.). Rajawali Pers.
- Fahmi, I. (2022). *Financial management and modern business*. Alfabeta.
- Sujarweni, V. W. (2023). *Financial management: Theory, applications, and case studies*. Pustaka Baru Press.
- Hanafi, M. M. (2023). *Financial statement analysis* (Latest ed.). UPP STIM YKPN.
- Gunawan, R., & Pratama, B. (2024). *Introduction to corporate financial analysis*. Alfabeta.
- Wulandari, S. (2024). *Methods of ratio analysis and corporate performance*. Prenada Media.