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The Effect of Financial Ratio and Stock Price on Company Value with Profit Growth as a Moderating Variable

(Empirical Study of Manufacturing Companies in the food and beverage sub-sector on the IDX in 2019-2021)

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Abstract: Company value isinvestors' assessment of the success and performance of the company, which is reflected in its share price. This study aims to analyze the effect of profitability, liquidity, solvency, and stock prices on company value with profit growth as a moderating variable in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2021 period. The sampling technique used in this study was purposive sampling. A total of 26 companies have met the criteria as a unit of observation. The analytical method used is multiple linear regression analysis and moderated regression analysis. The results of the study provide empirical evidence that solvency and stock prices have an effect on firm value, and profit growth can moderate profitability on firm value.

Keywords: Profitability, liquidity, solvency, share price, company value, profit growth.

1. Introduction

The current economy causes intense competition between companies in the industry. A company has a goal to increase the value of the company or the value of the company by considering various aspects. The growth of a company does not only depend on the company's internal factors, but also on external evaluations. A high external evaluation of the company indicates that the company's performance is satisfactory. Each company seeks to increase the value of the company in order to achieve their respective targets and goals.If the company is public or has offered its shares to the public, then company value is defined as the investor's perception of the company itself. Investors can use the company's value as a basis for seeing the company's development in the next period, where the company's value is often associated with the stock price. Investors benefit when the company's stock price is high (Suwardika & Mustanda 2017)

Firm value is influenced by financial as well as non-financial aspects. Therefore the company must carry out strategic planning to increase the value of the company. The financial aspect is influenced by profitability (Hery, 2017). Non-financial aspects can be done by increasing competitive advantage through intellectual capital. This competitive advantage must be unique and difficult to imitate. This is in accordance with the concept of resources given by Barney (Ulum, 2017).Competitive advantage is considered capable of creating corporate value. A business is said to be successful if it can generate sustainable profits and meet future financial obligations. Profit generated in each period is the main requirement to ensure the survival of the company. In other words, a company must be able to overcome the aspects of profitability, liquidity and solvency in order to survive and bring prosperity to its owners.

The profitability ratio is the ratio used to measure a company's ability to generate profits. The profitability of a company provides a comparison of income and income that generates assets or capital.Meanwhile according to Kasmir (2019, p. 196)Profitability is the ratio used to assess a company's ability to generate profits or profits within a certain period of time. This ratio is also a measure of the effectiveness of the company's management and is measured by income or profit from investment financing.

The concept of liquidity is the ability of a company to meet all financial obligations that are due or must be paid immediately. Specifically, liquidity reflects the availability of funds owned by a company to pay its debts at maturity According to Syafrida Hani (2015: 121). The higher the ratio of current assets to current liabilities, the greater the company's ability to fund its current liabilities. So it will have an impactto investor confidence in investing their funds in the company concerned.

According to Fred Wenston in the book (Kasmir, 2012), solvency is the ratio used to measure the level of assets owned by a company financed with debt.From this it can be concluded that solvency is the use of debt capital by a company as a source of funds to carry out its activities, in which the company must pay fixed costs. Solvency is a metric that calculates how far the funds provided by creditors can be reached, and is also a metric that compares the company's total liabilities and total assets.

Mamduh M. Hanafi and Abdul Halim (2012:95) state that profit growth is an increase in profits or a decrease in annual profits expressed in percentages. According to Harahap (2015: 310) profit growth is a ratio that shows the company's ability to increase net income compared to the previous year.Good company profit growth shows that company profits are also good, if the financial position is generally good then the company's growth is good. Because profit is a measure of company performance, the higher the profit achieved by the company indicates the better the performance of the company so that investors will be interested in investing their capital. As the results of research (Kerans & Tyasari, 2020) profit growth can moderate funding decisions on company value, and profit growth is able to moderate dividend policy on company value.

The object used in this research is a food and beverage sub-sector manufacturing company that is listed on the Indonesia Stock Exchange (IDX) for 2019-2021. In contrast to the research by Romadhon & Yuniningsih, 2022 which examines using coal mining company objects listed on the Indonesia Stock Exchange (IDX) because they see the company's performance during 2015-2020 tend to experience a decline. Researchers use food and beverage sub-sector manufacturing companies as research objects becauseThe company's main activity is processing raw materials or semi-finished products, modifying the shape, texture and physical appearance of these materials into ready-to-use finished products, which are sold in the market according to consumer demand. Because a manufacturing company is also a part of a trading company, it differs from other trading companies in that it uses special machines, equipment and technology to transform raw materials into finished products.

2. Literature Review and Hypothesis

2.1 signal theory

Signal theory was first put forward by Spence in 1973. Signal theory means giving a signal, the sender provides relevant information that can be used by the recipient, in this case the sender is a company while the recipient is a user of financial statements. Retno and Priantinah said the Signal Hypothesis discussed the company's motivation to provide information to third parties.According to Brigham and Houston (2019: 33), signal theory is a management indicator that provides clues to investors about how a company views its prospects. According to signaling theory, companies have incentives to share information with outsiders. The company's motivation to provide information is the existence of information asymmetry between the company and external parties.This theory provides an explanation of the reasons companies have the urge to convey or provide information related to the company's financial statements to external parties. The urge to submit or provide information related to financial reports to external parties is based on the existence of information asymmetry between company management and external parties (Bergh et al., 2014).The management of a company or company has more information about the company's operations and future prospects compared to external parties such as investors, creditors, insurers and other information users. Therefore, to answer these problems and reduce information asymmetry, signaling to outsiders can be done through reports.

A signal or signal is an action taken by the company's management that provides guidance to investors in how management views the company's prospects. In accordance with this statement, companies with favorable future prospects will try to avoid selling company shares but seek new capital gains through other means such as the use of debt in excess of the normal capital structure target. Conversely, companies with unfavorable prospects will tend to sell their company shares.In other words, an increase or a high share price of a company indicates that the company has high shareholder value.Signal theory is related to company values, if the company fails or cannot convey a good signal regarding the value of the company, the value of the company will experience a discrepancy with its position, meaning that the value of the company can be above or below the actual value.

2.2 The value of the company

Firm value is the price potential buyers will pay if the company is sold. Firm value is an investor's assessment of the company's success and performance, which is reflected in its share price. The firm value formed by the market share price index presents a good investment opportunity. The existence of these investment opportunities can increase the value of the company because it can give a positive signal to investors about the wealth they will receive and the company's prospects in the future (Kusumawati & Rosady 2018).The theory underlying corporate value is Freeman's (1983) stakeholder theory, in which companies are not only responsible to their shareholders, but also move into the social realm (hereinafter referred to as social responsibility). It is the result of new negative externalities and new social inequalities. For this reason, corporate responsibility, which was originally measured only by the economics of financial reporting, must now shift to consider internal and external stakeholder factors. Relevant internal and external parties are governments, competitors, people in the international environment, external agencies, employees, minorities, etc., whose existence greatly influences and influences the company.The main goal of a company is to maximize the value of the company.According to Irham Fahmi (2013: 139), company value is a condition that is achieved by a company as a form of social trust in it through a process of activities that has lasted for several years since it was founded until now.

2.3 Financial Ratios

Financial statement analysis is a process of dissecting financial reports into their components (Dwi Prastowo, 2011:60). An in-depth study of each component and the relationship between these components will result in a thorough understanding of the financial statements themselves. Financial report analysis essentially aims to provide a more appropriate and systematic basis for consideration in order to predict what might happen in the future (Dwi Prastowo, 2011:60). The ratio describes a relationship or balance (mathematical relationship) between a certain amount and another amount and by using an analytical tool in the form of a ratio it will be able to explain or give an overview to the analyst about the good or bad condition or financial position of a company, especially when the ratio figures are compared with the comparison ratio figure used as a standard (Munawir, 2004:64). The financial ratios used in this study are

a) Profitability

Profitability is a proportion to measure an organization's capacity to create benefits by utilizing organizational assets owned by the organization such as organizational resources, capital, or agreements. According to Agus Sartono (2011) the definition of profitability ratio is the company's ability to earn profits in relation to sales, total assets, and own capital. Thus for long-term investors will be very interested in this profitability analysis. According to Kasmir (2014: 115) the definition of a profitability ratio is a ratio to assess a company's ability to make a profit. This ratio also provides a measure of the effectiveness of a company's management. This is demonstrated by the profit generated from sales and investment income.

b) Liquidity

According to Fahmi (2015: 160), "Liquidity is a liability (debt), Liquidity or debt, in turn, is an obligation owned by a company arising from external funds such as bank loans, rents, and bond sales. According to Samryn (2015). Liquidity is a measure of a company's ability to meet its short-term obligations by dividing current assets with current liabilities. In a liquid company, the current available cash position must be greater than current liabilities.

c) Solvability

Solvency is the company's ability to pay debts that must be paid immediately. So if the fulfillment of the need for funds is only seen from the solvability point of view, then it is better to fulfill the need with own capital used, the higher the level of solvency. The balance between the amount of foreign capital and own capital has an effect on the level of solvency concerned. Each additional foreign capital always reduces its solvency level and each additional own capital will always increase the level of solvency (Kusumawati E., Putri E., & Sasongko N 2021).Meanwhile, according to Sudana and I made (2011: 21) argued that the solvency ratio is a measure of how much a company uses debt in company purchases.

2.4 Stock price

Stock prices according to (Darmadji & Fakhrudin 2012, 102): "Prices that occur on the exchange at a certain time. Stock prices can change up or down in a very fast matter of time. It can change in minutes or even in seconds. This is possible because it depends on the demand and supply between the purchaser of shares and the seller of shares.Stock prices can be an alternative estimate of company value. The higher the company's stock price, the better the company's value, so that many investors are interested in investing their capital because it is believed that the company can provide the profits expected by investors. On the other hand, if the stock price falls, the company's value is considered to be in a bad condition, and this has an impact on investor uncertainty in investing in these shares.

2.5 Profit Growth

According to Dewi Utari, et al (2014: 67), states that: "Profit growth is a ratio that describes the company's ability to maintain profits in each period amid economic growth and its business sector." According to Harahap (2015: 310) Profit growth is: "The ratio that shows the company's ability to increase net income compared to the previous year." According to Kasmir (2016: 196), "The profitability ratio is the ratio that assesses the company's ability to make a profit."Based on the above understanding, the researchers concluded that profit growth is a ratio that describes the increase or decrease in a company's profits compared to the previous year.

2.6 Effect of profitability on firm value

Profitabilityis the net result of various policies and management decisions. This ratio provides an overview of the efficiency of company management. Profitability is often used to measure the efficiency of a company's use of capital by comparing profits and capital used in operations.Profitability is the main attraction for company owners (shareholders) because profitability is the result obtained through management efforts for the funds invested by shareholders and profitability also reflects the distribution of profits that are entitled to them, namely how much funds are reinvested and how much is paid as cash dividends or stock dividends to shareholders (Jusriaini and Rahardjo, 2013). The results of Hannawanti and Eduard's research (2021) state that profitability affects company value.
Based on the description above, the research hypothesis is formulated as follows:
H1: Profitability affects firm value.

2.7 Effect of liquidity on firm value

Liquidityis a ratio that describes the company's ability to fulfill short-term debt, if the creditor collects the company's debt, the companyable to meet these debts, especially debts that are approaching maturity (Kasmir, 2017).The liquidity of a company can describe how the turnover of cash flows in the company in using cash to meet the company's debt. Companies that are able to pay off their short-term debt early show that the company's financial management is good. Companies that can pay their short-term debt can be said to be liquid. High company liquidity indicates that the company is able to return funds raised by third parties.Research result(Pratiwi & Muthohar, 2021)liquidity has a negative and significant effect on firm value.
Based on the description above, the research hypothesis is formulated as follows:
H2: Liquidity has an effect on firm value.

2.8 Effect of solvency on firm value

Solvability is a ratio that measures how much debt a company must have to pay off its assets.According to Misran & Chabachib (2017) that the solvency ratio describes the company's ability to repay existing debts using the capital or equity in question.The higher the solvency value, the greater the company's financial risk for expansion, which can increase the amount of profit earned and ultimately have a positive impact on company value. Ahmad Idris research results (2021)Solvability has a positive effect on firm value.
Based on the description above, the research hypothesis is formulated as follows:
H3: Solvability has an effect on Firm Value

2.9 Effect of stock prices on firm value

Share prices are formed through a supply and demand mechanism in the capital market. If a stock experiences excess demand, the stock price tends to rise. Conversely, if there is an excess supply, the stock price tends to fall.High stock prices also increase the value of the company. Maximizing the value of the company is very important for the company, because maximizing the value of the company also means maximizing the prosperity of shareholders which is the main goal of the company. Results of Tika Yuliana's research (2020)Stock prices have a positive effect on firm value.
Based on the description above, the research hypothesis is formulated as follows:
H4: Stock prices have an effect on firm value

2.10 Effect of profitability on firm value with profit growth as a moderating variable

Kieso et al. (2018) suggests that the profitability ratio is used asmeasurement of income and success of the company's operating activities in a certain period.High profits indicate good prospects for the company so that it can attract investors to deposit capital to increase the value of the company. To calculate this profitability, researchers use the Return on Assets (ROA) formula. Return on Assets (ROA) is a ratio that measures a company's ability to earn profits because this ratio represents all company activities. profit growth is net profit growth expressed as a percentage generated by the company in one year, so that it can describe the results of the company's financial performance in asset management.profit growth which has increased from year to year is good news for investors which indicates that the company has good performance, with increasing company profits, the quality of company profits is likely to also increase (Lestari, 2020). Empirical evidence accordingWardani & Dewanti (2022), results are obtained if profitability has a positive effect on firm value.
From the description above the research hypothesis can be formulated as follows:
H5: Profit growth moderates the effect of profitability on firm value

2.11 The effect of liquidity on firm value with profit growth as a moderating variable

One of the factors that affect the value of the company is liquidity, which is the company's ability to meet its short-term obligations orthe company's ability to meet obligations or debts that must be paid immediately using its current assets (Amalia nur Chasanah, 2018). The greater the liquidity in the company, it shows that the company is increasingly able to pay off its obligations so that the company's cash turnover is very good and gives a positive perception of the company's condition (Permana, 2019). If the company has a high level of debt, the manager tends to manipulate profits so that it can reduce the accuracy of profit growth.). Empirical evidence according to Imam et al(2022), it is obtained that the results of liquidity have a positive effect on firm value. From the results of the elaboration above the research hypothesis can be formulated as follows:
H6: Profit growth moderates the effect of liabilities on firm value.

2.12 The effect of solvency on firm value with profit growth as a moderating variable

According to Nomayanti (2017), the solvency ratio is the result of a comparison of total debt to assets or equity. That is, the company bears its obligations for more than one year or less than one year, how much to pay as a burden on the company's debt (Hery, 2017: 12). In this study solvency is proxied by DER.The higher the DER, the higher the company's value, which measures the ability to pay long-term or short-term company obligations on the company's capital. Because equity is the first thing to consider when running a business, which is a milestone expense, that equity comes from debt or equity. A good company is a company that can handle the company's obligations stably. A company with high solvency means a high level of loanable funds received by the company, which causes more and more liabilities to carry the company's assets. This high debt value will of course burden the company's profits, if the company's profits are burdened, the profit will decrease. if the profit earned during one period decreases, it will have an impact on profit growth in the next period. Empirical evidence according to Syamsuddin & Mas'ud (2021) thatsolvency has a positive and significant effect on firm value. The research hypothesis can be formulated as follows:
H_7: Profit growth moderates the influence of solvency on firm value.

2.13 Effect of stock prices on firm value with earnings growth as a moderating variable

The share price is the price of a share that occurs on the stock market at a certain time determined by market participants and is determined by the demand and supply of shares in the capital market.Sartono (2011: 192) states that stock prices are formed by supply and demand mechanisms in the capital market. When there is excess demand for a stock, the stock price tends to rise. Conversely, when there is excess supply, stock prices tend to fall. One of the basic concepts of financial management is that the goal of financial management is to maximize the value of the company. High stock prices also increase the value of the company. Maximizing the value of the company is very important for the company, because maximizing the value of the company also means maximizing the prosperity of shareholders which is the main goal of the company. Empirical evidence according to Samosir et al., 2022 that stock prices have a positive but not significant effect on company value.The research hypothesis can be formulated as follows:
H8: Profit growth moderates the effect of stock prices on firm value.

3. Methodology and Procedures

3.1 Population and Sample

Table 1: Research Sample Selection Process

No	Criteria	Amount
1	A food and beverage sub-sector manufacturing company listed on the Indonesia Stock Exchange (IDX) during the 2019-2021 period.	26
2	Manufacturing companies that publish annual reports for 2019-2020	(1)
3	Companies that present financial statements using the rupiah currency.	(0)
4	Manufacturing companies that made losses during the 2019-2021 period.	(3)
5	Incomplete data (financial reports) for which rates cannot be calculated are excluded from the sample.	(8)
The number of research samples = 14 x 3 years		42
Outlier data during processing time		(10)
Number of research samples		**32**

Source: Process Data 2023

Based on table IV.1 above, the total population for the food and beverage sub-sector manufacturing companies was 26 companies, then a selection was made using purposive sampling, so the companies studied were selected to decrease because some companies could not meet the predetermined criteria for sampling .This study uses measurements for each variable, as follows:

Table 2: Measurement of operational variables

Variable	Indicator	Source
The value of the company	$PER = \frac{Share\ price\ per\ share}{Net\ profit\ per\ share}$	Kusumawati, et al (2018)
Profitability	$\text{ROA} = \frac{Net\ profit\ after\ tax}{Total\ assets}\ X\ 100\%$	Kasmir, et al (2014)
Liquidity	$\text{CR} = \frac{Current\ asset}{Current\ debt}$	Kasmir, et al (2014)
Solvability	$\text{DTA} = \frac{Total\ debt}{\text{Total assets}}$	Kusumawati, et al (2018)
Stock price	closing prices	Syawalina, et al (2020)
Profit Growth	$\text{PL} = \frac{Operating\ profit\ for\ the\ year}{Operating\ profit\ for\ the\ year - 1}$	Munawir, et al (2014)

3.2 Data analysis technique

In this study, testing the hypothesis using multiple regression analysis and moderated regression analysis. Multiple linear regression method was used to determine the correlation of each independent variable to the dependent variable.

$$NP = \alpha + \beta 1P + \beta 2L + \beta 3S + \beta 4HS + e$$

The moderated regression analysis test method is an analytical techniquedata used to maintain sample integrity and provide a basis for controlling for the influence of moderator variables.

$$NP = \alpha + \beta 1P + \beta 2L + \beta 3S + \beta 4HS + \beta 5Z + \beta 6P{*}Z + \beta 7L{*}Z + \beta 8S{*}Z + \beta 9HS{*}Z + e$$

4. Results and Discussion

4.1 Descriptive Statistical Analysis

Table 3: Descriptive Statistical Analysis Test Results

Equation 1

	N	Minimum	Maximum	Means	std. Deviation
The value of the company	32	461	5635	2504	1358,69537
Profitability	32	23	870	199.6250	144.31971
Liquidity	32	512	13309	3369	2959,13697
Solvability	32	108	563	336.9688	135.91731
Stock price	32	288	6850	1783,8125	1561,48229

Source: Process Data, 2023

Based on the table above, it shows that the results of the descriptive analysis show that the value of the company moves from a minimum value of 461% to a maximum value of 5635% with an average value of 2504% and Std. Deviation 1358.69537%. Profitability moves from a minimum value of 23% to a maximum value of 870% with an average value of 199.6250% and Std. Deviation 144.31971%. Liquidity moves from a minimum value of 512% to a maximum value of 13309% with an average value of 3369% and Std. Deviation 2959.13697%. Solvability moves from a minimum value of 108% to a maximum value of 563% with an average value of 336.9688% and Std. Deviation 135.91731%. The stock price moves from a minimum value of 288% to a maximum value of 6850% with an average value of 1783.8125% and Std. Deviation 1561.48229%.

Table 4: Descriptive Statistical Analysis Test Results
Equation 2

	N	Minimum	Maximum	Means	std. Deviation
The value of the company	32	461	5635	2504	1358,69537
Profitability	32	23	870	199.6250	144.31971
Liquidity	32	512	13309	3369	2959,13697
Solvability	32	108	563	336.9688	135.91731
Stock price	32	288	6850	1783,8125	1561,48229
Profit Growth	32	-602	1893	388,2812	622.39181
Profitability x Profit Growth	32	-60200	1061400	63491,6562	188618,0881
Liquidity x Profit Growth	32	-4516806	16236980	1095623,063	3290908,485
Solvability x Profit Growth	32	-181890	881658	145212,3750	241690,5015
Stock price x Profit Growth	32	-2648800	2877000	446025,3125	1023401,133

Source: Process Data, 2023

Based on the table above, it shows that the results of the descriptive analysis show that the value of the company moves from a minimum value of 461% to a maximum value of 5635% with an average value of 2504% and Std. Deviation 1358.69537%. Profitability moves from a minimum value of 23% to a maximum value of 870% with an average value of 199.6250% and Std. Deviation 144.31971%. Liquidity moves from a minimum value of 512% to a maximum value of 13309% with an average value of 3369% and Std. Deviation 2959.13697%. Solvability moves from a minimum value of 108% to a maximum value of 563% with an average value of 336.9688% and Std. Deviation 135.91731%. The stock price moves from a minimum value of 288% to a maximum value of 6850% with an average value of 1783.8125% and Std. Deviation 1561.48229%. Profit growth moves from a minimum value of -602% to a maximum value of 1893% with an average value of 388.2812% and Std. Deviation 622.39181%. Profitability x profit growth moving from minimum value -60200% to maximum value1061400% with an average value63491,6562% and Std. Deviation188618,0881%. Liquidity x profit growth moves from a minimum value of -4516806% to a maximum value of 16236980% with an average value of 1095623.063 % and Std. Deviation 3290908.485%. Solvability x profit growth moving from minimum value-181890%up to maximum value881658% with an average value145212,3750% and Std. Deviation241690,5015%. Stock price x earnings growth moves from the minimum value--2648800%up to maximum value2877000% with an average value446025,3125% and Std. Deviation1023401,133%.

Discussion

Statistical testing with multiple linear regression requires a classic assumption test before carrying out multiple regression tests. Where the first test is the normality test with a significance of 0.053 > 0.05 which can be concluded that the data is normally distributed. For multicollinearity test results around the Inflation Factor Value (VIF) 1.358-1.134 and tolerance values around 0.737-0.882, it can be concluded that the regression model is free from multicollinearity. For autocorrelation test results using Durbin Watson with DU table < DW statistic < (4-DU table); 1.82803 < 2.064 < 2.17197 it can be concluded that the regression model is free from autocorrelation. The results of the heteroscedasticity test show that the unstandardized residual value has a significance value greater than 0.

In this study, hypothesis testing was carried out using multiple linear regression analysis models. The following is a table of multiple linear regression analysis:

Table 5: Test Results of Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	1619,513	1016,745		1,593	0.123
	Profitability	-3,333	1,819	-0.354	-1,832	0.078
	Liquidity	-0.149	0.117	0.324	1,270	0.215
	Solvability	25,702	9,049	0.201	2,840	0.005

Stock price	-0.497	0.135	-0.571	-3,686	0.001
F				4,670	0.005b
Adjusted R Square					0.321

Source: Process Data, 2023

Based on Table 5, the simultaneous F test results show a significance value of 0.005. The significance value produced by the F test is less than 0.05, so it can be concluded that all independent variables, namely profitability, liquidity, solvency, and stock prices meet the requirements and can be said to be a fit regression model. The coefficient of determination shows an Adjusted R Square value of 0.321 or 32.1%. This shows that the independent variables, namely profitability, liquidity, solvency, and stock prices can explain the variation in the dependent variable, namely firm value of 0.321 or 32.1%% while the remaining 67.9% is explained by other variables not included in this study.

Based on the results of multiple regression tests that the calculation results of each variable can describe the effect of each independent variable on the dependent variable, namely as follows:

The calculation results for each variable can describe the effect of each independent variable on the dependent variable, namely H1 is rejected. profitability has a significance value (sig t) of 0.078 which is greater than the significance level of 0.05 (0.078 > 0.05)Thus it can be concluded that profitability does not affect firm value.Investors will be attracted by high profitability because profitability shows the company's ability to manage its funds so that it shows the company's growth prospects. Companies that have a low percentage of profitability reflect companies that are unable to manage their company's performance.This study provides empirical evidence that profitability has no effect on firm value. This is in line with Ayem, et al (2019) and Rahayu, et al (2018) which concluded that profitability has no effect on firm value.

H2 is rejected The test results state that liquidity has a significance value of 0.215, where the value is greater than 0.05 (0.215 > 0.05). Thus it can be concluded that liquidity does not affect firm value.This explains that the company's ability to pay off short-term liabilities with current assets does not affect the value of the company. This is possible because the company is able to maintain the amount of short-term debt at a reasonable amount and is paid on time, so that all current assets are not needed as collateral so that the company's value tends to remain constant for several periods.This study provides empirical evidence that liquidity has no effect on firm value. This is in line with Aslindar, et al (2020), Wulandari (2013) and Rahmatullah (2019) which concluded that liquidity has no effect on firm value.

H3 is accepted. The test results state that solvency has a significance value of 0.034, where the value is less than 0.05 (0.034 <0.05). Thus it can be concluded that solvency has an effect on firm value.Solvency shows the company's ability to fulfill both short-term and long-term obligations if the company is liquidated. The higher the solvency ratio, the higher the risk of loss so that it can cause the value of a company to decrease. If the value of a company decreases, the company's stock price will also decrease. This will affect the level of investor confidence in the company and will further affect the value of the company.This study provides empirical evidence that solvency affects firm value. This is in line with Erlina (2018) and Sintarini (2018) which conclude that solvency affects firm value.

H4 is accepted The test results state that the stock price has a significance value of 0.001, where the value is greater than 0.05 (0.001 <0.05). Thus it can be concluded that the stock price has no effect on firm value.Firm value is an investor's perception of the company's level of success which is often associated with stock prices (Sambora et.al, 2014). High stock prices make the company value also high. High corporate value will make the market believe not only in the company's current performance but in the company's prospects in the future.This study provides empirical evidence that stock prices affect firm value. This is in line with Alfiansyah Darmawan (2013) and Kurnia (2019) who concluded that stock prices affect company value.

Table 6: Test results of moderated regression analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
(Constant)	3823,799	1016,745		1,593	0.123
Profitability	-12,832	1,819	-0.354	-1,832	0.078
Liquidity	0.33	0.117	0.324	1,270	0.215

Solvability	1,297	9,049	0.201	2,840	0.005
Stock price	-0.424	0.135	-0.571	-3,686	0.001
Profitability*Profit Growth	0.013	0.006	1,856	2,160	0.042
Liquidity*Profit Growth	0.000	0.001	-0.504	-0.378	0.709
Solvency*Profit Growth	0.005	0.005	0.914	1,060	0.301
Share Price*Profit Growth	0.000	0.001	-0.103	-0.255	0.801
F				4,670	0.005b
		Adjusted R Square			0.321

Source: Process Data, 2023

H5 accepted The test results state that profitability x profit growth has a significance value of 0.025, where the value is smaller than 0.05 (0.25 <0.05). Thus it can be concluded that profit growth can moderate profitability and affect firm value.Profit growth moderates the effect of profitability on firm value, because high company profit growth has a great opportunity to increase company development. this is indicated by the development of company profitability which shows optimal performance for a company that provides a large level of confidence for investors in investing their capital, so that this can also increase the value of the company.

H6 is rejected. The test results state that liquidity x profit growth has a significance value of 0.709, where the value is greater than 0.05 (0.709 > 0.05). Thus it can be concluded that profit growth cannot be moderated by liquidity on firm value.Profit growth does not moderate the effect of liquidity on firm value, because high profit growth cannot guarantee that the company is able to meet its financial obligations in the short term, because it can be seen that the higher the profit growth, the higher the level of liquidity. Companies that are unable to fulfill their obligations can be said to be illiquid, thereby affecting the value of the company.

H7 is rejected The test results state that the stock price has a significance value of 0.301, which is greater than 0.05 (0.301 > 0.05). Thus it can be concluded that profit growth cannot be moderated by liquidity on firm value.because companies with a high level of solvency indicate high loan funds received by the company so that it can cause the value of a company to decrease, which results in greater liabilities that will be borne by the company's assets. If the profit for one period decreases, it will have an impact on profit growth in the next period.

H8 is rejected. The test results state that stock prices have a significance value of 0.801, which value is greater than 0.05 (0.801 > 0.05). Thus it can be concluded that profit growth cannot be moderated by liquidity on firm value.because, while low profit growth does not guarantee that stock prices are also low. in conditions of low profit growth, management usually thinks of ways to increase profits such as attracting investors, so that the company's image will remain good for consumers and the company's valuation will be maintained. Likewise, when high profit growth does not guarantee that the company's stock price will remain high, so it can be concluded that profit growth does not moderate the effect of stock prices on firm value.

Conclusion

The purpose of this study was to analyze and obtain empirical evidence regarding the effect of profitability, liquidity, solvency and company prices moderated by profit growth on the company value of food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange (IDX). The observation period was carried out for 3 years, from 2019 to 2021, where the number of samples used was 32 companies. Based on the tests carried out on the research sample using regression analysis (MRA),

Based on the conclusions of this study, the researchers provide the following suggestions:

1) Future researchers are expected to be able to use samples from other company sectors or to use all companies listed on the Indonesia Stock Exchange (IDX) in order to generalize the research results.
2) For further research, you can use financial ratio variables that might be used, such as ROI, DER and so on, and other variables such as; company size, leverage and so on that affect the value of the company. Future research can also use other company objects besides manufacturing companies in the food and beverage sub-sector.

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