

The Effect of Current Ratio, Return on Assets, Debt-to-Equity Ratio, and Firm Size on Tobin's Q (A Study of Plantation and Crops, Tobacco, and Processed Foods Sub-Sectors Listed on the Indonesia Stock Exchange from 2020 to 2024)

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ABSTRACT

This research aims to analyze the effect of Current Ratio, Return on Assets, Debt to Equity Ratio, and Firm Size on Tobin's Q. The study was conducted on companies within the plantation and crop, tobacco, and processed food subsectors listed on the Indonesia Stock Exchange during 2020–2024. These three subsectors were selected due to their substantial contribution to the national economy through employment generation, food security, and export revenues, alongside an observed decline in corporate valuation as measured by Tobin's Q, presenting a critical phenomenon for investigation. The study adopts a causal research design. Utilizing a purposive sampling method, 23 companies were selected, yielding a balanced sample for evaluation. Data analysis was executed via panel data regression modeling utilizing Eviews 13. The empirical findings demonstrate that Current Ratio has no statistically significant effect on Tobin's Q, Return on Assets exerts a positive and statistically significant effect on Tobin's Q, Debt to Equity Ratio displays a positive and statistically significant impact on Tobin's Q, and Firm Size shows no statistically significant effect on Tobin's Q.

INTRODUCTION

The plantation and crop, tobacco, and processed food subsectors play a vital role in Indonesia's economy through their contributions to food security, employment, exports, and industrial activity. These subsectors also show considerable economic dynamics, making them relevant for examining the factors associated with firm value. Indonesia's economy remained relatively stable in 2024, with annual economic growth reaching 5.1%, compared with 5.0% in the previous year. In the third quarter of 2024, Indonesia's gross domestic product (GDP) at current prices reached IDR 5,638.9 trillion, while GDP at constant 2010 prices reached IDR 3,279.6 trillion. Java remained the largest contributor to national GDP, accounting for 56.84% with year-on-year growth of 4.92% (Statistics Indonesia, 2025).

The performance of the three subsectors also showed positive developments during this period. The plantation subsector recorded growth of 1.69% in 2024, with crude palm oil (CPO) remaining one of its major export commodities. Indonesia's CPO exports reached 11.73 million tons, with a value of approximately IDR 209.9 trillion. Meanwhile, the food and beverage industry grew by 5.53% in the second quarter of 2024 and contributed 40.33% to the GDP of the non-oil and gas manufacturing industry. The tobacco industry also continued to make a substantial economic contribution, with tobacco excise revenue reaching IDR 216.9 trillion in 2024. The industry was also associated with approximately 5.98 million workers across its supply chain, including tobacco and clove farmers, manufacturing workers, distributors, and retailers.

Despite these positive macroeconomic developments, the market valuation of companies in the three subsectors, as measured by Tobin's Q, showed a declining pattern during 2020–2024. Based on the data presented in Figure 1, the aggregate average Tobin's Q declined from 1.47 in 2020 to 1.21 in 2024. The plantation and crop subsector experienced fluctuations during the period, while the tobacco subsector declined from 2.38 in 2020 to 1.15 in 2024. The processed food subsector also showed a decline from 1.69 in 2021 to 1.46 in 2024. These movements indicate that positive developments at the industry and macroeconomic levels were not necessarily accompanied by an increase in market-based firm value. This condition provides a basis for examining the financial factors associated with firm value among companies in these subsectors.

Tobin's Q is used as the dependent variable because it incorporates market valuation in assessing a company's value. The ratio compares the market value of a company with the replacement value of its assets and can reflect how investors assess the company's future prospects and asset management. In this study, firm value is examined through four financial factors: liquidity, profitability, solvency, and firm size. Liquidity is measured using the Current Ratio (CR), profitability using Return on Assets (ROA), solvency using the Debt to Equity Ratio (DER), and firm size using the natural logarithm of total assets.

Current Ratio represents a company's ability to meet its short-term obligations using current assets. A higher CR indicates greater short-term financial capacity and may provide a positive signal to investors regarding the company's ability to meet its financial obligations (Rahayu & Waluyo, 2024).

However, previous studies have reported different findings regarding the relationship between CR and firm value. Some studies found a positive and significant relationship (Adhyasta & Sudarsi, 2023); Mai Lita & Juniati, 2023; (Insani & Amalina, 2023); (Komalasari & Yulazri, 2023), while other studies reported positive but insignificant, negative and significant, or insignificant relationships (Gz & Lisiantara, 2022); (Rahayu & Waluyo, 2024); Putri et al., 2024; Agustina, 2024; Dinarjito, 2024). These inconsistent findings indicate that the relationship between liquidity and firm value requires further examination.

Profitability, represented by ROA, indicates the ability of a company to generate profit from its assets. Higher profitability can provide information about the company's financial performance and future prospects, which may be reflected in its market value (Putri et al., 2024). Previous research has also produced varying results. Several studies reported a positive and significant relationship between ROA and firm value (Adhyasta & Sudarsi, 2023; Vellati & Oktaviani, 2024; Komalasari & Yulazri, 2023; Yulianti & Sundari, 2023; Regina *et al.*, 2024), whereas other studies found negative and significant, negative and insignificant, or insignificant relationships (Gz & Lisiantara, 2022; Dinarjito, 2024; Monica, *et al* 2023; Putri et al., 2024; Natalie & Lisiantara, 2022). The differences in these findings provide a research gap concerning the relationship between profitability and firm value.

Solvency is measured using DER, which describes the proportion of debt financing relative to shareholders' equity. The use of debt can affect firm value through its relationship with financial risk and the company's ability to generate returns from external financing. Previous studies have reported positive and significant relationships between DER and firm value (Sella Dwi Agustina, 2024); Mai Lita & Juniarti, 2023; Anisa et al., 2024; Yulianti & Sundari, 2023), while other studies reported negative and significant or insignificant relationships (Gz & Lisiantara, 2022); (Hidayat et al., 2025); Faizal & Putu, 2022; Stefany & Melvie, 2025). These differences indicate that the relationship between capital structure and firm value remains inconclusive.

Firm size represents the scale of a company and is commonly measured using total assets. Companies with larger asset bases generally have greater resources to support business operations and investment activities. However, the empirical evidence regarding firm size and firm value is also inconsistent. Several studies reported a positive and significant relationship (Gz & Lisiantara, 2022; Adhyasta & Sudarsi, 2023; Pandu, 2024), whereas other studies reported negative and significant or insignificant relationships (Regita et al., 2023; Novera, 2024; Olivia & Harti, 2025; Natalie & Lisiantara, 2022; Fransiska et al., 2024). The inconsistent findings suggest that firm size may have different relationships with firm value across companies and industries.

The research gap is therefore found in the inconsistent empirical findings concerning the relationships between CR, ROA, DER, firm size, and Tobin's Q. In addition, this study examines companies from three related but distinct subsectors (plantation and crop, tobacco, and processed food) listed on the Indonesia Stock Exchange during 2020–2024. This combination provides a specific sample covering industries that are connected to agricultural resources,

consumer products, and manufacturing activities while exhibiting different market and financial characteristics. The study contributes empirical evidence by examining these four financial factors simultaneously within the selected subsectors and period, particularly during a period marked by changes in commodity prices, production costs, fiscal policies, and market conditions.

Based on the phenomenon and research gap described above, this study aims to examine whether Current Ratio, Return on Assets, Debt to Equity Ratio, and Firm Size affect Tobin's Q among companies in the plantation and crop, tobacco, and processed food subsectors listed on the Indonesia Stock Exchange during 2020–2024. The research questions concern whether each of these four financial factors has a significant relationship with the firm value of the selected companies.

LITERATURE REVIEW

Signalling Theory

Signalling Theory, introduced by Spence (1973), explains how corporate disclosure influences the perceptions and decisions of external stakeholders. Because management possesses superior insight into organizational operations relative to outside investors, published financial data serves as a signal regarding current performance and long-term viability. Positive financial indicators strengthen investor confidence, whereas adverse signals prompt market participants to reassess corporate growth potential (Hutriyah et al., 2023). Financial reports thus function as a fundamental instrument through which firms communicate financial health and operational performance to the market (Anisa et al., 2024). Within this study, Signalling Theory links directly to the Current Ratio (CR), Return on Assets (ROA), and Firm Size. Robust liquidity signals a firm's capacity to settle short-term obligations, elevated profitability signals efficient asset deployment and future earnings capability, and larger firm size signals operational scale and resource stability. These signals shape investor sentiment, which is ultimately reflected in market valuation.

Pecking Order Theory

Pecking Order Theory, formulated by Myers and Majluf (1984), centers on information asymmetry between internal management and capital markets. The theory posits a structured hierarchy in corporate financing preferences. Organizations prioritize internal capital, followed by debt financing, and issue external equity only as a last resort when internal reserves and borrowing capacity are exhausted. This framework is highly relevant to capital structure and corporate valuation, as financing choices convey information regarding financial standing and strategic priorities. A firm with sufficient retained earnings maintains lower reliance on capital markets, whereas one requiring external capital prefers debt over equity dilution. Consequently, leverage levels reflected in the Debt to Equity Ratio (DER) directly influence investor perceptions and firm value.

Trade-Off Theory

Trade-Off Theory posits that companies establish their capital structure by balancing the tax advantages of borrowing against the associated costs of financial distress (Myers, 1984). Debt financing offers tax shields through interest deductibility, yet excessive leverage elevates default risk, fixed financial obligations, and insolvency exposure. An optimal capital structure is attained when the marginal benefits of debt offset the marginal costs of financial risk (Brigham & Houston, 2019). This theory provides a framework for analyzing the relationship between DER and corporate valuation. Debt can fund operational expansion and capital investments, enhancing firm value when generated returns exceed financial costs. However, over-leveraging increases financial vulnerability and damages investor confidence, making the empirical relationship between DER and Tobin's Q a critical subject of investigation.

Firm value

Firm value reflects the market's collective evaluation of a company's current performance and future growth prospects. Corporate valuation is measured using multiple financial metrics, including Price to Book Value (PBV), Price Earnings Ratio (PER), and Tobin's Q (Komalasari & Yulazri, 2023). This study adopts Tobin's Q as the primary metric because it incorporates both equity market valuation and asset replacement costs to provide a comprehensive assessment of firm value.

Current Ratio and Firm Value

The Current Ratio measures an organization's capacity to satisfy short-term liabilities using liquid assets. A higher CR indicates robust capacity to cover immediate obligations. From a Signalling Theory perspective, strong liquidity conveys positive information to capital markets regarding operational continuity and financial stability. Favorable investor sentiment can drive demand for equity, thereby raising market valuation (Gz & Lisiantara, 2022). Empirical literature presents mixed findings on liquidity and firm value. Adhyasta and Sudarsi (2023), Mai Lita and Juniarti (2023), Insani and Amalina (2023), and Komalasari and Yulazri (2023) documented a positive and significant effect of liquidity on firm value. Conversely, Rahayu and Waluyo (2024), Putri et al. (2024), and Dinarjito (2024) observed no significant relationship, while Gz and Lisiantara (2022) identified a negative and significant association. Based on Signalling Theory and supporting empirical evidence, the first hypothesis is formulated:
H1: Current Ratio has a positive effect on Tobin's Q

Return on Assets and Firm Value

Return on Assets reflects managerial efficiency in generating earnings from corporate assets. A higher ROA indicates superior asset utilization and operational efficiency. Grounded in Signalling Theory, elevated profitability provides strong positive signals regarding operational performance and future prospects, bolstering investor confidence and driving higher valuation. Empirical studies predominantly confirm a positive relationship between

profitability and firm value. Adhyasta and Sudarsi (2023), Komalasari and Yulazri (2023), Vellati and Oktaviani (2024), Yulianti and Sundari (2023), Regina et al. (2024), and Hidayat et al. (2025) reported that profitability exerts a positive and significant effect on firm value. However, divergent results exist: Gz and Lisiantara (2022) and Dinarjito (2024) found a negative and significant relationship, whereas Putri et al. (2024) and Natalie and Lisiantara (2022) reported no statistically significant impact. Grounded in theoretical frameworks and positive empirical findings, the second hypothesis is formulated:

H2: Return on Assets has a positive effect on Tobin's Q

Debt to Equity Ratio and Firm Value

The Debt to Equity Ratio quantifies the proportion of debt financing relative to shareholder equity. According to Trade-Off Theory, debt yields tax shield benefits and funds expansion, yet excessive borrowing heightens financial risk and interest burdens. The net impact of leverage on firm value relies on how effectively management balances debt benefits against risk exposure. Empirical literature yields contradictory findings regarding DER and firm value. Agustina (2024), Mai Lita and Juniarti (2023), Anisa et al. (2024), Komalasari and Yulazri (2023), and Yulianti and Sundari (2023) demonstrated a positive and significant relationship. In contrast, Gz and Lisiantara (2022) and Hidayat et al. (2025) identified a negative and significant effect, while Faizal and Putu (2022) and Stefany and Melvie (2025) found no significant impact. Aligned with Trade-Off Theory and positive empirical literature, the third hypothesis is formulated:

H3: Debt to Equity Ratio has a positive effect on Tobin's Q

Firm Size and Firm Value

Firm Size represents corporate operational scale, typically measured by total asset volume. Companies with larger asset bases possess greater resource capacity to support operations, absorb shocks, and fund investments. Under Signalling Theory, large firm size communicates stability, market presence, and resource resilience, influencing investor perception and equity valuation. Prior empirical research presents mixed evidence on Firm Size and firm value. Gz and Lisiantara (2022), Adhyasta and Sudarsi (2023), and Pandu (2024) observed a positive and significant effect of Firm Size on valuation. Conversely, Regita et al. (2023), Novera (2024), and Olivia and Harti (2025) identified a negative and significant relationship. Other studies, including Natalie and Lisiantara (2022), Fransiska et al. (2024), and Komalasari and Yulazri (2023), documented no significant effect. Grounded in Signalling Theory and positive empirical evidence, the fourth hypothesis is formulated:

H4: Firm Size has a positive effect on Tobin's Q

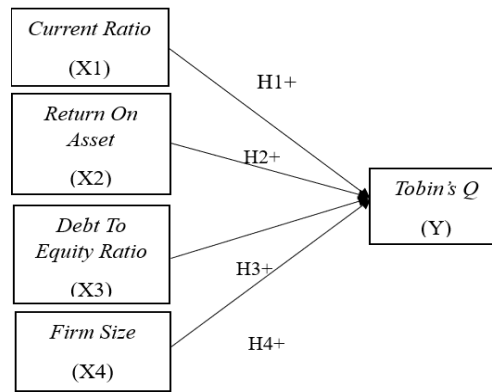


Figure 1. Conceptual Framework

METHODOLOGY

This study employed a quantitative approach with a causal research design to evaluate the impact of Current Ratio (CR), Return on Assets (ROA), Debt to Equity Ratio (DER), and Firm Size on firm value measured through Tobin's Q. Conducted from March 2025 to March 2026, the investigation utilized secondary data extracted from audited annual financial disclosures of companies listed on the Indonesia Stock Exchange (IDX) across 2020–2024. The target population comprised 49 firms spanning the plantation and crop, tobacco, and processed food subsectors. Purposive sampling was applied based on specific inclusion criteria: continuous listing throughout 2020–2024, no recorded net losses, consistent availability of outstanding share data, financial statements reported in Indonesian Rupiah, and absence of trading suspensions during the observation window. Applying these parameters yielded 23 eligible companies, generating 115 firm-year observations. Firm value was operationalized using Tobin's Q, liquidity via CR, profitability via ROA, solvency via DER, and firm size via the natural logarithm of total assets. Data processing was conducted through panel data regression utilizing Eviews 12. Model selection was determined via Chow, Hausman, and Lagrange Multiplier testing, while hypothesis testing relied on F-tests, coefficients of determination (R^2), and t-tests at a 5% significance threshold.

RESEARCH RESULT

Descriptive statistics

A descriptive statistical analysis was performed to establish the foundational characteristics of the research variables across 115 firm-year observations from 23 firms over 2020–2024. The empirical outputs are detailed as follows:

The mean CR stood at 2.818171, bounded by a minimum of 0.877000 recorded by PT Indonesian Tobacco Tbk in 2021 and a maximum of 13.399500 achieved by PT BISI International Tbk in 2024.

The mean ROA reached 0.077520, ranging from a low of 0.007790 for PT Palma Serasih Tbk in 2020 to a peak of 0.194382 for PT Siantar Top Tbk in 2024.

The mean DER averaged 0.853672, with a minimum value of 0.071989 for PT BISI International Tbk in 2024 and a maximum value of 4.935010 for PT Sawit Sumbermas Sarana Tbk in 2023.

The mean Firm Size registered at 29.98133, spanning from a minimum of 26.94798 for PT Indonesian Tobacco Tbk in 2020 to a maximum of 32.93787 for PT Indofood Sukses Makmur Tbk in 2024.

The mean Tobin's Q recorded 1.348418, oscillating between a lower bound of 0.471445 for PT Astra Agro Lestari Tbk in 2024 and an upper bound of 4.210397 for PT Hanjaya Mandala Sampoerna Tbk in 2020.

Inferential Statistical Analysis

Panel data regression analysis was executed using three competing estimation framework approaches: the Common Effect Model (CEM), the Fixed Effect Model (FEM), and the Random Effect Model (REM). Estimation outputs across all three models are summarized in Tables 4.3–4.5. Under CEM estimation, ROA exhibited a significant relationship with firm value, whereas CR, DER, and Firm Size showed no statistical significance. Within FEM estimation, ROA and DER maintained statistically significant relationships, whereas CR and Firm Size were non-significant. Under REM estimation, ROA and DER similarly demonstrated significant impacts, whereas CR and Firm Size remained non-significant. The optimal panel specification was formally established through consecutive application of Chow, Hausman, and Lagrange Multiplier test procedures.

Panel Data Regression Model Selection

Determining the most appropriate panel data regression specification was carried out by implementing the Chow and Hausman testing routines. Test outputs are displayed in the following tables.

1. Chow Test

Table 1. Chouw Test

Effects Test	Statistic	d.f	Prob.
Cross-section F	12,955823	(22,88)	0,0000
Cross-section Chi-square	166,096450	22	0,0000

Source: EViews 13 data processing (2026)

According to Table 1, the empirical probability value yields 0.0000, which falls below the 0.05 threshold. Consequently, the null hypothesis is rejected while the alternative hypothesis is accepted, confirming that the Fixed Effect Model is superior to the Common Effect Model for panel data estimation.

2. Hausman Test

Table 2. Hausman Test

Test Summary	Chi-Sq Statistic	Chi-Sq d.f	Prob.
Cross-section random	13,884128	4	0,0077

Source: EViews 13 data processing (2026)

As detailed in Table 2, the probability value registers at 0.0077, remaining below the 0.05 threshold. Thus, the null hypothesis is rejected in favor of the alternative hypothesis, indicating that the Fixed Effect Model offers a more appropriate empirical specification than the Random Effect Model.

Regression Model Analysis

Table 3. Fixed Effect Model Estimation Result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	17.39384	9.337388	1.862817	0.0658
Curret Ratio	0.011121	0.035700	0.311522	0.7561
ROA	3.999709	1.604628	2.492608	0.0146
DER	0.238155	0.116146	2.050476	0.0433
FIRM SIZE	- 0.553353	0.312448	- 1.771022	0.0800

Source: EViews 13 output (2026)

Based on the estimation results in Table 3, the multiple panel regression equation is formulated as follows:

$$\text{Tobin's Q} = 17.393840 + 0.011121 \text{ CR} + 3.999709 \text{ ROA} + 0.238155 \text{ DER} - 0.553353 \text{ Firm Size} \dots\dots\dots (1)$$

The regression results indicate that CR exhibits a positive coefficient of 0.011121, though this relationship lacks statistical significance. ROA demonstrates a positive and significant effect on Tobin's Q, with a coefficient of 3.999709. DER similarly exerts a positive and significant impact, yielding a coefficient of 0.238155. Conversely, Firm Size displays an inverse relationship with a negative coefficient of -0.553353, which is not statistically significant. The regression equation reports an intercept constant of 17.393840.

Model Fit Test

Table 4. F Test Results

F-statistic	17,46726
Prob (F-statistic)	0,000000

Source: EViews 13 output (2026)

As shown in Table 4, the simultaneous test yields an F-statistical probability value of 0.000000 ($p < 0.05$). This indicates that Current Ratio, ROA, DER, and Firm Size jointly (simultaneously) exert a significant effect on Tobin's Q, confirming the overall goodness of fit for the empirical model.

Table 5. Coefficient of Determination (R^2) Results

R-squared	0,837683
Adjusted R-squared	0,789726

Source: EViews 13 output (2026)

Table 5 indicates an Adjusted R2 value of 0.789726. This implies that 78.97% of the total variance in Tobin's Q is explained by the combination of Current Ratio, ROA, DER, and Firm Size, while the remaining 21.03% is attributed to other variables not captured within this regression model.

Table 6. t-Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	17.39384	9.337388	1.862817	0.0658
Curret Ratio	0.011121	0.035700	0.311522	0.7561
ROA	3.999709	1.604628	2.492608	0.0146
DER	0.238155	0.116146	2.050476	0.0433
FIRM SIZE	- 0.553353	0.312448	- 1.771022	0.0800

Source: EViews 13 output (2026)

Based on Table 6, the hypothesis testing results are as follows:

1. CR exhibits a positive coefficient of 0.011121 but does not exert a statistically significant impact on Tobin's Q. Consequently, H1 is not supported.
2. ROA displays a positive coefficient of 3.999709 and demonstrates a statistically significant effect on Tobin's Q. Consequently, H2 is supported.
3. DER shows a positive coefficient of 0.238155 and has a statistically significant effect on Tobin's Q. Consequently, H3 is supported.
4. Firm Size yields a negative coefficient of -0.553353 but does not show a statistically significant effect on Tobin's Q. Consequently, H4 is not supported.

DISCUSSION

Current Ratio (X1) does not exert a statistically significant impact on firm value (Tobin's Q) across firms operating within the plantation and crop, processed food, and tobacco subsectors during 2020–2024; consequently, the first hypothesis (H1) is rejected. This outcome aligns with prior empirical evidence reported by Putri et al. (2024), Ariani and Diandra (2024), Rahayu and Waluyo (2024), Tirta Wangi and Aziz (2024), and Mudzakkir Farij and Laila Wardani (2024), who similarly documented an insignificant relationship between liquidity levels and firm value.

Return on Assets (X2) demonstrates a positive effect on firm value (Tobin's Q) among companies within the plantation and crop, processed food, and tobacco subsectors during 2020–2024; hence, the second hypothesis (H2) is accepted. This empirical result corroborates previous studies conducted by Yulianti and Sundari (2023), Mudzakkir Farij and Laila Wardani (2024), Hidayat et al. (2025), and Al-Omari et al. (2024), which confirmed that asset profitability exerts a positive and significant influence on market valuation.

Debt to Equity Ratio (X3) exercises a positive influence on firm value (Tobin's Q) across enterprises in the plantation and crop, processed food, and tobacco subsectors during 2020–2024; thus, the third hypothesis (H3) is accepted.

This finding is consistent with earlier scholarly research by Anisa et al. (2024), Yulianti and Sundari (2023), and Mudzakkir Farij and Laila Wardani (2024), which established that capital structure leverage positively impacts corporate market value.

Firm Size (X4) fails to display a statistically significant effect on firm value (Tobin's Q) among publicly traded companies in the plantation and crop, tobacco, and processed food subsectors listed on the Indonesia Stock Exchange during 2020–2024; accordingly, the fourth hypothesis (H4) is rejected. This finding accords with existing empirical literature by Fransiska et al. (2024), Indriani et al. (2025), and Wulandari et al. (2023), which demonstrated that corporate scale does not significantly drive market value variations.

CONCLUSIONS AND RECOMMENDATIONS

In light of the empirical findings, this study concludes that Current Ratio does not significantly influence Tobin's Q among companies in the plantation and crop, tobacco, and processed food subsectors listed on the Indonesia Stock Exchange during 2020–2024. This suggests that short-term liquidity maintenance did not serve as a primary valuation metric for investors throughout the examined period. Conversely, Return on Assets exerts a positive and significant effect on Tobin's Q, demonstrating that profitability generated from asset deployment directly enhances market-based firm value. Debt to Equity Ratio also displays a positive and significant impact on Tobin's Q, signaling that leverage within the observed firms was effectively utilized to support value-adding operations. Meanwhile, Firm Size yields no statistically significant effect on Tobin's Q, indicating that possessing a larger asset base does not automatically command a higher market valuation.

For management in the plantation and crop, tobacco, and processed food subsectors, tactical focus should be directed toward optimizing profitability through asset efficiency, operational cost discipline, and strategic initiatives that drive sustainable revenue growth. Companies must also manage capital structure prudently, ensuring that debt capital is funneled directly into value-generating endeavors such as operational expansion, productive investments, and capacity development. For market investors, operational profitability and capital structure management should be prioritized alongside broader market indicators during equity valuation. Future researchers are encouraged to integrate additional financial metrics, broaden industry coverage, and extend the observation timeline to further elucidate the overarching determinants of corporate valuation.

ADVANCED RESEARCH

This investigation is subject to specific constraints. The scope is restricted to publicly listed firms within the plantation and crop, tobacco, and processed food subsectors on the Indonesia Stock Exchange during 2020–2024, evaluating four core independent variables: Current Ratio, Return on Assets, Debt to Equity Ratio, and Firm Size. Subsequent studies can build upon these findings by lengthening the timeline, incorporating diverse industrial sectors, and

introducing complementary explanatory variables such as dividend policy, sales growth trajectories, total asset turnover, or macroeconomic shocks. Furthermore, future academic inquiries could apply alternative valuation frameworks to offer expanded analytical perspectives on corporate value drivers.

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