THE EFFECT OF ASSET GROWTH AND SYSTEMATIC RISK ON COMPANY VALUE WITH PROFITABILITY AS AN INTERVENING VARIABLE

ABSTRACT

Aims: The company value is used by investors as an indicator of the company's assessment to provide investment decisions in the company. This study examines the effect of asset growth and systematic risk on company value with profitability as an intervening variable. This research will provide insight into company value and company management.
Study Design: This research is quantitative in the manufacturing sector listed on the IDX for 2020-2023
Methodology: The population in this study was 35 companies. The sample used was 140 observed data with sample takers using the purposive sampling method. The data analysis method used is multiple linear regression analysis.
Results: The results showed that asset growth has a significant positive effect on profitability and systematic risk has no impact on profitability. Profitability significantly affects company value, while asset growth and systematic risk do not affect company value. Profitability can mediate the effect of asset growth and systematic risk on company value.

Keywords: Asset growth, systematic risk, profitability, company value

1. INTRODUCTION

In the post-pandemic recovery period, Indonesia's economic conditions are experiencing difficult times, as is the case in the property and real estate sector, which is very uncertain every day. From data accessed from the Financial Services Authority (OJK) website, explaining that premium income at least continued to decline and worsen due to the widespread COVID-19 outbreak, the property and real estate stock sector index in 2022 weakened by 7.26%. During the covid 19 pandemic, the company was in an uncertain condition with quite serious problems, this was because the company's revenue was difficult to predict which resulted in the company being unable to predict the profits to be obtained, this illustrates that market conditions can affect the performance of a company [1].

According to Jumiati and Diyanti [2] one of the main objectives of a company is to maximize company value well and optimize company value which is one of the long-term goals of the company that the company can achieve. Businesses with a high level of corporate value demonstrate their strong performance. Investors might consider some criteria when choosing which stocks to purchase, including the performance of the company value. Improved performance levels are positively correlated with improved prospects for a firm, which in turn increases the company's perceived worth among investors [3].

Asset growth results from company funds or fund flows from operational changes caused by growth or decrease in business volume [4]. Companies with a high growth rate will generate high income and can carry out expansion activities to develop their company to increase the company's value optimally.

Systematic risk is one type of risk, which is external or cannot be controlled by the corporation (company) also known as market risk [5]. By investors, systematic risk is used as an indicator to assess a company in overcoming the risks that occur, if a company has a high systematic risk, it will make the company difficult to develop the company and the company's performance will decrease so it can result in a decrease in company value

A company's ability to turn a profit by making the best use of its resources, capital, and sales is measured by its profitability [6]. A high profitability shows that the business can effectively handle its management. In this case, if a company has high profitability, it is considered to have a good level of company value. A profitable business can reduce systematic risks and have an impact on the expansion of the enterprise.

This study uses manufacturing sector companies listed on the Indonesia Stock Exchange (IDX) during the period 2020 – 2023 as research samples to investigate the impact of COVID–19 with several factors studied such as asset growth, systematic risk, and profitability on company value.

This research provides several contributions, as increasing the literature on the impact of COVID–19 on company value, and this research can be used as a guideline by company managers to manage companies in increasing company value by optimizing asset growth and controlling the risks that occur.

2. LITERATURE REVIEW AND HYPOTHESES

Signaling theory

According to Brigham and Houston [7], signal theory is an action taken by company management that aims to provide guidance or direction for investors about management performance regarding the company's prospects. The company's financial statements provide investors with a comprehensive understanding of the company's expansion, risk management capabilities, and operational efficiency.

The effect of asset growth on profitability

Based on signal theory, companies must provide information about the growth rate of the company's assets to investors to determine the company's ability to manage its management. A company that has a good asset growth rate shows that the company can manage and support the company's performance in getting the profit desired by investors. Companies that can optimize their assets will get high profits. Research conducted by Afrianti & Purwaningsih [4], Ariyasa, et al [8], and Mariani [9] asserts that profitability is positively impacted by asset growth. The following hypothesis has been established:

H1: Asset growth has a positive effect on profitability

The effect of systematic risk on profitability

Companies with a high level of market risk will have an impact on the level of profitability of the company and have an impact on the risk received by investors. Based on signal theory, companies must provide information related to the company's financial position to investors, so that investors can find out the steps taken by the company in dealing with the risks that occur. The company must mitigate the risks that occur in the company to be able to manage investment risk effectively and generate maximum profit. Research conducted by Marlina [10], Wahyudi [11], and Nimalathasan & Pratheepkanth [12] states that systematic risk has a positive effect on profitability. The following hypothesis has been established:

H2: Systematic risk has a positive effect on profitability

The effect of asset growth on company value

The increase that occurs in a company illustrates the growth that occurs in the company [6]. Company growth can be seen from 2 sides, namely seen from sales growth

and asset growth. Signal theory explains that with companies providing information through financial reports, investors will be able to assess the company's performance in managing its assets to generate the desired profit. A company's assets have grown as a result of prior financial decisions. The company's annual growth provides investors with insight into the performance level of the business going forward. There have been many studies on growth in company value, including by Marpaung, et al [13], Susilo [14], and Diastanova, et al [15] which assert that a company's worth is positively impacted by asset growth. From this research, asset growth can increase company value. The following hypothesis has been established:

H3: Asset growth has a positive effect on company value

The Effect of Systematic Risk on Company Value

Systematic risk is one type of risk that is external or cannot be controlled by the corporation (company) also known as market risk [16]. The high and low systematic risk of a company can be used as a measure of the impact of changes in macroeconomic conditions because it is very dependent on the company. Research on systematic risk that has been conducted including by Muthiáh [3], Nugroho, et al [17], and Verado [18] has a negative effect on company value. Assuming a business has a high systematic risk value, it will be challenging for it to grow and perform better if it is unable to manage itself, both of which will have an impact on company value. The following hypothesis has been established:

H4: Systematic risk has a negative effect on company value

The effect of profitability on Company Value

The ability of a business to generate profits using all of its resources, including cash, capital, sales activity, personnel, branch locations, and other resources, is referred to as profitability [19]. In line with signaling theory, companies must provide information in the form of financial statements to shareholders, to provide information regarding the use of their resources. Although the company's profitability serves as a yardstick for assessing how well it is managed, investors are more drawn to businesses that can maximize profits. Research conducted by Djuharni, et al [20], Jemani & Erawati [21], and Nugraha & Alfarisi [1] state that profitability has a positive effect on company value. The following hypothesis has been established:

H5: Profitability has a positive effect on company value

The effect of asset growth on company value mediated by profitability

Asset growth is a description of changes in total assets that occur in the company, either a decrease or an increase. Based on signal theory, with the company providing information in the form of financial statements, investors can know that the company can provide positive signals so that investors can judge from the financial statements that the profitability obtained is the result of optimizing the assets owned. The higher the profit a company earns, it will be directly proportional to the increase in asset growth to improve company performance in supporting aspects of company value. Research conducted by Yudha, et al [22], and Melinia [23] claim that the relationship between asset growth and company value can be mediated by profitability. The following hypothesis has been established:

H6: Profitability can mediate the effect of asset growth on company value

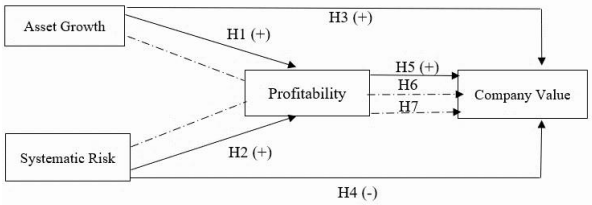
The effect of systematic risk on company value mediated by profitability

Systematic risk is a risk that comes from outside the company, companies that have high sensitivity conditions to external conditions will get a high level of systematic risk [24]. Signal theory explains that companies provide information to investors to explain the policies taken by the company in dealing with risks that cannot be controlled by the company. Companies with significant systematic risk and unable to manage the business effectively, investors will consider

the company's low. However, if a company has a high level of profitability, it can minimize the impact of the high value of systematic risk. Research conducted by Marlina [10] states that profitability can mediate the effect of systematic risk on company value. The following hypothesis has been established:

H7: Profitability can mediate the effect of systematic risk on company value

Based on the preceding statement of the hypothesis, Figure 1 shows the study framework.



: Direct impact

: Indirect impact

Figure 1. Research framework

3. METHODOLOGY

The study employed quantitative research methodology. This research uses SPSS version 27 software, as a regression model formulation tool. The population to be studied in this study is manufacturing businesses listed on the IDX for 4 years, and the method utilized is purposive sampling [25]. Secondary data is used in this study, the purpose of secondary data is to support core data. The data collection method uses documentary techniques and literature study techniques. Documentary techniques are used by tracing the annual financial statements of companies whose data are sampled.

To produce a good model, the results will be tested through several stages of testing [26].

1. Descriptive statistics test
2. Classical Assumption Test
3. Analysis using multiple linear regression models

In determining the regression model that will be used to analyze the panel data regression model, it is necessary to conduct preliminary testing. Panel data covering multiple years and manufacturing businesses were used for this study. The acceptance criteria for the normality test is the value of asymp. Sig (2-tailed) ≥ 0.05, for multicollinearity, test the tolerance value > 0.10 or VIF < 10, for heteroscedasticity test the sig. value < 0.05, and for the autocorrelation test using the Durbin-Watson (DW) method.

The model used to test the seven hypotheses in this study is as follows:

Regression Equation Model I

PROF = α + β1AG + β2 SR + ε

PROF = profitability (Z)

α = the regression equation's constant

β1,β2 = coefficient

AG = asset growth (X1)

SR = systematic risk (X2)

ε = error

Regression Equation Model II

CV = α + β1AG + β2SR + β3PROF + ε

CV = company value

α = the regression equation's constant

β1β2β3 = coefficient

AG = asset growth (X1)

SR = systematic risk (X2)

PROF = profitability (Z)

ε = error

4. Coefficient of determination (R^2)

According to Sugiyono [25], the coefficient of determination (R^2) is used to measure the level of ability of the research model to explain the independent variable on the dependent variable.

5. T-test & Sobel test

According to Sugiyono [25], the t-test is used to test the hypothesis if the researcher analyzes partial regression. Sobel tests are used to determine whether the relationship through a mediating variable is significantly able to mediate the relationship.

4. RESULT

The following is a descriptive statistical table of each research variable:

Table 1. Descriptive Statistics Results

	N	Min.	Max.	Mean	Std. Dev.
CV	140	-664.00	3000.0	62.073	324.626
AG	140	-0.33	0.36	0.0132	0.094
SR	140	-0.90	3.55	-0.026	0.493
PROF	140	-0.38	0.43	0.014	0.070

Descriptive statistics taken from Table 1 show that the company value has a minimum value of -664.00 and a maximum value of 3000.00 with an average value of 62.073. And the standard deviation value is 324.626. The company that has the lowest level of company value is PT Kawasan Industri Jabeka Tbk in 2021. Meanwhile, PT Nusantara Almazia tbk is the company with the highest level of company value in 2020.

The value of asset growth ranges from -0.33 at the minimum to 0.33 at the highest and 0.0132 at the average. The value of the standard deviation is 0.094. The company that has the lowest asset growth rate is PT Pollux Properties Indonesia in 2023. The company that has the highest level of asset growth value is PT PP Properti Tbk in 2022.

Systematic risk has an average value of -0.0262, a minimum value of -0.90, and a maximum value of 3.55. The standard deviation value is 0.493. The company that has the lowest systematic risk level value is PT Adhi Commuter Properti Tbk in 2023. The company that has the highest level of systematic risk is PT Bakrieland Development tbk in 2021.

The value of profitability ranges from -0.38 at the minimum to 0.43 at the highest and 0.0140 at the average. The standard deviation value is 0.070. PT Lippo Cikarang Tbk is the business with the lowest profitability in 2020. PT Pudjiadi Prestige Tbk is the business with the highest profitability in 2022.

The following table shows the results of the classical assumption test and the results of the multiple linear regression test:

Table 2. Classical assumption test & Multiple linear regression test results

Model	Kolmogorov-Smirnov		Variable	Collinearity Statistics		Sig.	Durbin-Watson	Unstandardized B
	Unstandardized Residual			Tolerance	VIF			
	N	Asymp. Sig. (2-tailed)						
Regression I	120	0.068	(Constant)				1.941	0.011
			Asset growth	0.998	1.002	0.243		0.274
			Systematic risk	0.998	1.002	0.443		0.020
Regression II	120	0.090	(Constant)				2.051	24.544
			Asset growth	0.863	1.159	0.826		-0.002
			Systematic risk	0.993	1.007	0.308		0.587
			Profitability	0.862	1.160	0.555		0.893

The results of the normality test with 140 sample data show that the data that has been tested is not normally distributed, in overcoming the normality test, outliers are made as many as 20 sample data. Based on Table 2, the results of the normality test of 120 sample data after outliers obtained an asymp. sig value of Model I is 0.068 and the asymp. sig value of Model II 0.090. Based on the asymp. sig value of Model I and Model II, it can be concluded that the data is normally distributed.

Based on Table 2, the VIF value in Model I on the asset growth variable and systematic risk is 1.002, from the results above the independent variables have a VIF value < 10. So it can be concluded that the Model I tested is free from multicollinearity. And the VIF value of Model II on the asset growth variable is 1.159, the systematic risk variable is 1.007, and the profitability variable is 1.160, from the test

results it can be concluded that Model II tested is free from multicollinearity.

Based on table 2 sig. value Model I in heteroscedasticity testing, the asset growth variable is 0.234 and the systematic risk variable is 0.443. It can be concluded that in Model I there is no heteroscedasticity because the sig. value > 0.05. And the sig. value Model II asset growth variable is 0.826, systematic risk variable is 0.308, and profitability variable is 0.555, so it can be concluded that Model II does not occur heteroscedasticity.

Autocorrelation testing in Model I seen from Table 2 shows that the Durbin-Watson value is 1.941, the du value is 1.7361, the dl value is 1.6684, the data sample is 120, 2 independent variables and the 4-du value in this test is 2.2639. So it can be concluded that the value of du < dw < 4-du and Model I data is declared not autocorrelated. Autocorrelation in Model II from Table 2 shows that the Durbin Watson value is 2.051, the du value is 1.7536, the dl value is 1.6513, the data sample is 120, 3 independent variables and the 4-du value is 2.2464. So it can be concluded that the value of du < dw < 4-du and Model II data is declared not to occur autocorrelation.

Regression Model I can be explained as follows using multiple linear regression analysis based on Table 2:

PROF = 0,011 + 0,274 AG + 0,020 SR

α = a constant of 0.011 indicates that if the asset growth and systematic risk variables are 0 then profitability is 0.011.

β1 = With an asset growth regression coefficient of 0.274, it can be seen that, under the assumption of systematic risk variables, profitability will rise by 27.4% for every 1% increase in asset growth.

β2 = systematic risk regression coefficient of 0.020, which shows that if the systematic risk increases by 1%, profitability will increase by 2%, assuming the asset growth variable.

Regression Model II can be explained as follows using multiple linear regression analysis based on Table 2:
CV = 22,544 – 0,002 AG + 0,587 SR + 0,893 PROF

α = a constant of 22.544 indicates that if the variable asset growth, systematic risk, and profitability are 0, the company value is 22.544.

β1 = asset growth regression coefficient of this indicates that if asset growth increases by 1%, the company value will decrease by -0.2%, assuming systematic risk and profitability variables. This shows that in this situation the company is already in a development that requires more funding so that the profit generated from the company's operational activities will be used for reinvestment rather than distributed to investors [27].

β2 = systematic risk regression coefficient of 0.587, it shows that if the systematic risk increases by 1%, the company value will increase by 58.7%, assuming the variable asset growth and profitability

β3 = profitability regression coefficient of 0.893, it shows that if profitability increases by 1%, the company value will increase by 89.3%, assuming variable asset growth and systematic risk.

The test results of the coefficient of determination test (Adjusted R^2) and the model feasibility test (F-test) can be seen in Table 3 below:

Table 3. Adjusted R-square & F test results

Model	Adjusted R-square	F	Sig.
Regression I	0.125	10.956	0.000[b]
Regression II	0.187	11.622	0.000[b]

The adjusted r-square value of Model I, as shown in Table 3 above, is 0.125, indicating the coefficient of determination. This means that

asset growth and systematic risk account for 12.5% of the profitability value. The remaining 87.5% is explained by other variables outside the regression model that are not in this study. The aforementioned table indicates that Model II is modified r square value has a coefficient of determination of 0.187, it is determined that asset growth, systematic risk, and profitability account for 18.7% of the company value variable. And the remaining 81.3% is explained by other variables outside the regression model that are not in this study.

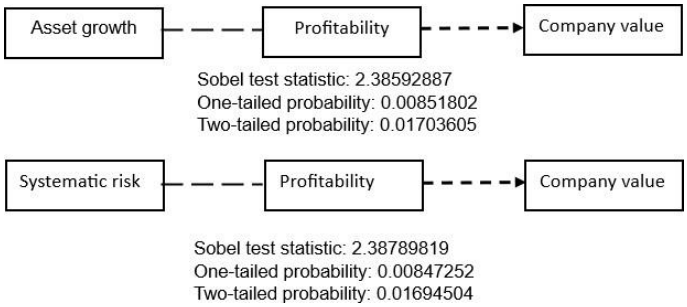
Table 3 shows the results of the F test of Model I and Model II with a sig. value 0.000, because the sig. value Model I and Model II < 0.05, it can be concluded that asset growth, systematic risk, and profitability can predict simultaneously company value.

The t-test aims to test whether the independent variable partially has a significant effect on the dependent variable. The t-test results can be seen in Table 4 below:

Table 4. T-test and Sobel test results

Hypothesis	Relationship	t	Sig.
	Direct Effect		
H1	AG → PROF	4.633	0.000
H2	SR → PROF	0.868	0.387
H3	AG → CV	-0.004	0.997
H4	SR → CV	0.113	0.562
H5	PROF → CV	3.582	0.000
	Indirect Effect		
H6	AG → PROF → CV	2.385	0.017
H7	SR → PROF → CV	2.387	0.016

Figure 2. Sobel test calculator results



Based on the results of the t-test, show the results of testing the effect of asset growth on profitability with a t value of 4.633, a t table value of 1.980, and a sig. value of 0.000. So if $H_0$1 is rejected and H_a1 is accepted, then hypothesis 1 is accepted and it is concluded that asset growth has a positive effect on profitability.

The t-test results in Table 4 show the effect of systematic risk on profitability, with a t value of 0.868, a t table value of 1.980, and a sig. value of 0.387. So $H_0$2 is accepted and H_a2 is rejected, so hypothesis 2 is rejected and it is concluded that systematic risk has no positive effect on profitability.

Based on the results of the t-test on the effect of asset growth on company value, with a t value of -0.004, a t table value of 1.980, and a sig. value of 0.997. Thus $H_0$3 is accepted H_a3 is rejected, and hypothesis 3 is rejected so that it is stated that asset growth does not affect company value.

Table 4 shows the results of testing the effect of systematic risk on company value with a t value of 0.113, a t table value of 1.980, and a sig. value of 0.562. So $H_0$4 is accepted and H_a4 is rejected, and hypothesis 4 is rejected so it

can be concluded that systematic risk does not affect company value.

Based on the t-test results in Table 4, present the results of testing the effect of profitability on company value with a t value of 3.582, a t table value of 1.980, and a sig. value of 0.000. So $H_0$1 is rejected and H_a5 is accepted, and hypothesis 5 is accepted, so it can be concluded that profitability has a positive effect on company value.

Results of the Sobel test that has been completed, the Sobel test z value is 2.38592887 which means > 1.96 and sig. value of 0.0017 which means < 0.05, and hypothesis 6 is accepted, so it can be concluded that the effect of profitability can mediate asset growth on company value.

Based on the results of the Sobel test that has been completed, the Sobel test z value is 2.38789819 which means > 1.96 and sig. value of 0.016 which means < 0.05. So hypothesis 7 is accepted, and it can be concluded that the effect of profitability can mediate systematic risk on company value.

5. DISCUSSION

The results showed that asset growth increases along with increased profitability. The results of this analysis are in line with the signal theory which states that when profitability is high, it can indicate the company's ability to gain maximum profit [28]. For companies that can use their assets optimally, the production generated by the company will be maximized and the profit generated will be significant. The company's ability to generate high profits will result in a high company growth rate and an assessment by investors of the company's profitability will be better. The findings of this study are consistent with studies conducted by Triyani, et al [16], Isgiyarta & Aryanoi [29], and Mansikkamäki, S. [30] which state that asset growth has a positive effect on profitability.

The results of the analysis of this study indicate that the high or low level of corporate profits earned is not influenced by the amount of systematic risk. This can happen because the high and low level of company profitability is influenced by several other factors such as asset growth, or variables that are not tested in this study. These findings are in line with signal theory which states that companies must provide information in the form of financial reports to shareholders to find out factors or opportunities that can increase profits. Based on this analysis, it shows that investors remain interested in the company because they apply the perception that the high risk received is also the high profit received, and it is concluded that investors will continue to trust the company against the risks that occur. The findings of this study are consistent with those of earlier research by Piserà, et al [31] and Kladakis & Skouralis [32] which state that systematic risk does not affect profitability. While the findings of this study conflict with those of Nugroho, et al [17] and Rodríguez-Sanz, et al [33] state that systematic risk has a positive effect on profitability.

The test analysis results show that the level of asset growth increases or decreases does not affect the value of the company. This is because every year the amount of assets can fluctuate so that it has no impact on the price per share of equity in the eyes of investors. In line with signal theory, companies must provide financial reports to investors to provide information about the actions taken by company management. Financial reports provide comprehensive information to investors about the company's expansion, risk management capabilities, and operational efficiency. Companies that have a high asset growth rate will affect the costs incurred for asset investment compared to distributing the profits earned to investors. Investors do not make the asset growth rate an indicator of consideration in determining investment, and the indicator used in determining investment by looking at the company's ability to generate corporate profits. The results of this study are in line with the findings of previous research by Mandjar & Triyani [34], Widarnaka, et al [35], Yusmaniarti, et al [36], and Isnaeni, et al [37] which state that asset growth does not affect company value. At the same time, this research contradicts research conducted by Marpaung,

et al [13], Yahya, et al [38], and Šepa, et al [39] state that asset growth has a positive effect on company value.
The test analysis results show that the high and low systematic risk that occurs does not affect the high and low level of company value. Based on signal theory, companies must provide financial reports to investors as information to be used as a description of the policies the company has taken in dealing with risks that occur both internally and externally. This explains that the company's external situation has an impact on the company to make it difficult to make decisions in reducing risk. Investors hope that the company can minimize the risks that occur, and investors will remain interested in investing with stock prices continuing to rise. The findings of this study are consistent with those of earlier research by Listihayana & Astuti [40], Verado & Kurniawati [18], and Muthi'ah & Chang [3] which state that systematic risk does not affect company value. This study runs counter to the findings of Wibowo [41] and Dinasari & Herawaty [42] state that systematic risk has a negative effect on company value.

A business with a high level of profitability demonstrates that it is performing well in achieving its objectives and meeting investor expectations. Signal theory aims for companies to provide information to investors as a positive signal in showing that the company can optimize its assets to obtain high profitability. Furthermore, a profitable business will appreciate and find it easier to secure capital loans because its strong profit margin ensures that it will be able to repay the debt. The findings of this study are consistent with those of earlier research by Hertina, et al [43], Iman, et al [44], Saputri & Geovanni [45], Prihanta, et al [46], and Isnaeni, et al [37] which assert that a company's worth is positively impacted by its profitability.

This is because an increase in profitability results can support asset growth to facilitate maximum company productivity so that the company can provide maximum profit, and an increase in operational results will increase investor confidence because it considers that the company's value will also increase along with this increase. The results of this study are in line with the findings of previous research by Yulimtinan & Atiningsih [47], and Yudha, et al [22] which state that profitability can mediate the effect of asset growth on company value.

This illustrates that the company can manage risk well to get a high level of profit and good company value in the eyes of investors. Profitability is an industry competency to take advantage of per range at the market stage [46]. With high profitability, the company can easily attract investors to invest because with this, the company's value will also increase and the systematic risks that occur in the market do not have a significant impact in the eyes of investors. Because investors expect to get high profitability. The findings of this study are consistent with those of earlier research by Marlina [10], Al-qaisi [24], and Nawaz [48] which asset growth that the impact of systematic risk on a company's value can be mitigated by profitability.

6. CONCLUSION

This study uses profitability variables as intervening variables in testing the effect of asset growth and systematic risk on company value. Furthermore, this study's findings show that asset growth has a significant positive effect on profitability and systematic risk has no effect on profitability. The value of a corporation is significantly positively impacted by profitability factors, while asset growth and systematic risk do not affect company value. As an intervening variable, profitability can mediate the effect of asset growth and systematic risk on company value.

This study has limitations, including those related this study uses the manufacturing sector, so it is recommended for further research to explore and ensure the consistency of research results to expand research in other sectors. In addition, the results of the research conducted show that the variables of asset growth, systematic risk, and profitability only have an adjusted r-square value of 18.7%. Thus, the suggestion for further research is to add variables such as investment opportunity

set and leverage to increase understanding of their influence on company value.

7. COMPETING INTERESTS

After the study was finished, the authors declared that they had no conflicting interests.

Disclaimer (Artificial intelligence)

Option 1:

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc) and text-to-image generators have been used during writing or editing of manuscripts.

Option 2:

Author(s) hereby declare that generative AI technologies such as Large Language Models, etc have been used during writing or editing of manuscripts. This explanation will include the name, version, model, and source of the generative AI technology and as well as all input prompts provided to the generative AI technology

Details of the AI usage are given below:

1.

2.

3.

8. REFERENCES

1. Nugraha, R. A., & Alfarisi, M. F. (2020). The Effect of Profitability, Leverage, Liquidity and Company Size on Company Value. *Journal of Mirai Management*, *5*(2).
2. Jumiati, S., & Diyanti, F. (2022). The Effect of Good Corporate Governance, Corporate Social Responsibility, Company Growth on Firm Value with Profitability as a Moderating Variable. Akuntabel, 19(2), 375-387.
3. Muthi'ah, S., & Chang, I. (2023). The Effect of Profitability, Leverage, and Systematic Risk on Firm Value With Ifr as an Intervening Variable. *Jurnal Akuntansi dan Keuangan (JAK)*, *28*(1), 87-98.
4. Afrianti, D., & Purwaningsih, E. (2022). The effect of leverage, liquidity and asset growth on profitability. *Scientific Journal of Management, Economics, & Accounting (MEA)*, *6*(2), 1781-1796.
5. Tommy, P., & Saerang, IS (2022). *Capital structure, firm size and firm risk on the value of automotive companies listed on the IDX.* Journal EMBA: Journal of Economic, Management, Business and Accounting Research, 2(2).
6. Buhaenah, B., & Pradana, AWS (2014). The Effect of Capital Structure and Company Growth on Firm Value with Profitability as a Moderating Variable. Journal of Business and Economics Research (JBE), 3(2), 90-99.
7. Brigham, E. F., & Houston, J. F. (2019). Fundamentals of Financial Management (15th ed.). Cengage Learning.
8. Ariyasa, I. M., Susila, G. P. A. J., & Yulianthini, N. N. (2019). The Effect of Asset Growth and Capital Structure on Profitability in Plantation Sub-Sector Companies Listed on the Indonesia Stock Exchange. *Prospects: Journal of Management and Business*, *1*(2), 25-33.
9. Mariani, D. (2019). The Effect of Debt Equity Ratio, Asset Growth, Working Capital Turnover, and Corporate Social Responsibility on Profitability. Journal of Accounting and Finance, *8*(2), 139-155.
10. Marlina, A. The Effect of Systematic Risk on Firm Value with Profitability Level as a Mediating Variable in Property Companies Listed in ISSI 2014 Period.
11. Wahyudi, R. (2022). Analysis of Fundamental Factors and Systematic Risk on Stock Prices with Profitability as an Intervening Variable in Property Companies on the Indonesia Stock Exchange for the 2017-2021 Period (Doctoral dissertation, Univesitas Putra Indonesia YPTK).
12. Nimalathasan, B., & Pratheepkanth, P. (2012). Systematic risk management and profitability: a case study of selected financial institutions in Sri Lanka. *Global journal of Management and business Research*, *12*(17), 40-43.
13. Marpaung, N., Yahya, I., & Sadalia, I. (2022). The Effect of Liquidity, Profitability, Capital Structure, Asset Growth, And Firm Size on the Firm Value with Dividend Policy as a Moderating Variable in Food and Beverage Sub-Sector of Manufacturing Companies Listed on the Indonesia Stock Exchange. *International Journal of Research and Review*, *9*(7), 268-282.
14. Susilo, S. H. (2023). Company Value Analysis: Sales, Asset, Growth Opportunities and Leverage in LQ-45 Companies (Indonesia Stock Exchange). *Innovations*, *20*(4), 386-399.
15. Diastanova, R., & Marsoem, B. S. The

Influence of Liquidity, Profitability, Asset Structure and Asset Growth on Firm Value With Capital Structure as Moderating Variable (Study in the Food & Beverage Sub-Sector Companies Listed on Indonesia Stock Exchange in the Period of 2018- 2021).

16. Triyani, W., Mahmudi, B., & Rosyid, A. (2018). The effect of Asset Growth on firm value with profitability as an intervening variable (empirical study of mining sector companies listed on the Indonesian stock exchange for the period 2007- 2016). *Tirtayasa Ekonomika*, *13*(1), 107- 129.
17. Nugroho, M., & Halik, A. (2021). The effect of growth and systematic risk on the firm's value: Profitability as a mediating

variable. *Journal of Economics, Business, & Accountancy Ventura*, *23*(3), 466-476.
18. Verado, S., & Kurniawati, K. (2021). The Effect of Corporate Social Responsibility, Profitability and Systematic Risk on Company Value. *Indonesian Journal of Accounting and Governance*, *5*(1), 1-25.
19. Harahap, SS (2015). *Critical Analysis of Financial Reports (Edisi ke-1st).* Jakarta: Pers Rajawali.
20. Djuharni, D., Kuncahyo, A. A., Sonhaji, S., & Mauludin, H. (2024). The Effect of Debt Policy, Profitability and Managerial Ownership on Company Value. *International Journal Administration, Business & Organization*, *5*(1), 21-38.
21. Jemani, K. R., & Erawati, T. (2020). The Effect of Profitability on Firm Value with Capital Structure as an Intervening Variable in Manufacturing Companies Listed on Bei. *Business Studies Widya Wiwaha College of Economics*, *28*(1), 51-70.
22. Yudha, A. M. Y., Putra, R. B., & Fitri, H. (2022). Analysis of the Effect of Liquidity, Company Growth, Company Size on Company Value with Profitability as an Intervening Variable. *Journal of Innovation Research and Knowledge*, *1*(12), 1567-1576.
23. Melinia, V. (2021). The Effect of Debt Policy and Company Growth on Firm Value with Profitability as an Intervening Variable. Repository.Unej. Ac.Id, 10(10), 1–23.
24. Al-qaisi, K. M. (2011). The economic determinants of systematic risk in the Jordanian capital market. International Journal of Business and Social Science, 2(20), 85–95
25. Sugiyono (2019). Quantitative, Qualitative, and R&D Research Methods. Bandung : Alphabet.
26. Sekaran, Uma (2011). Research Methodology for Businesses. Jakarta: Salemba Empat
27. Aditomo, M. S., & Meidiyustiani, R. (2023). The Effect of Company Growth, Debt Policy, Managerial Ownership and Company Size on Company Value: Empirical Study on Food and Beverage Sub-Sector Manufacturing Companies Listed on the Indonesia Stock Exchange. Journal of Revenue: Scientific Journal of Accounting, *3*(2), 662-673.
28. Rezeki, E. S., Santoso, S. E. B., Wahyuni, S., & Dirgantari, N. (2023). Effect of Capital Structure, Company Size, Profitability, and Company Growth on Company Value. *Asian Journal of Applied Business and Management*, *2*(3), 419-438.
29. Isgiyarta, J., & Aryani, H. F. (2020). The effect of asset growth on banking profitability with the mediating variable of asset diversification. *J. RAK (Riset Akunt. Keuangan)*, *5*(1), 70-84.
30. Mansikkamäki, S. (2023). Firm growth and profitability: The role of age and size in shifts between growth–profitability configurations. *Journal of Business Venturing Insights*, *19*, e00372.
31. Piserà, S., Chiaramonte, L., Paltrinieri, A., & Pichler, F. (2024). Firm systematic risk after the Russia–Ukraine invasion. *Finance Research Letters*, *64*, 105489.
32. Kladakis, G., & Skouralis, A. (2024). Credit rating downgrades and systemic risk. *Journal of International Financial Markets, Institutions, and Money*, *90*, 101902.
33. Rodríguez-Sanz, J. A., Vallelado, E., & Fernández-Martín, M. (2024). Risk analysis of Spanish companies. *Global Policy*, *15*, 76-91.
34. Mandjar, S. L., & Triyani, Y. (2019). The Effect of Company Growth, Profitability, Liquidity, Capital Structure and Ownership Structure on Firm Value. Journal of Accounting, *8*(1).
35. Widarnaka, W., Sunardi, N., & Holiawati, H. (2022). The Effect of Company Growth, Company Size and Liquidity on Firm Value with Debt Policy as a Moderating Variable. *Jurnal Syntax Admiration*, *3*(10), 1341-1352.
36. Yusmaniarti, Y., Sauma, A., Khair, U., Marini, M., & Ratnawili, R. (2021). The Effect of Company Growth, Solvency and Profitability on Firm Value in Indonesian Property and Real Estate Companies Listed on the Indonesia Stock Exchange. *EKOMBIS REVIEW: Scientific Journal of Economics and Business, 9*(2), 145-160.
37. Isnaeni, W. A., Santoso, S. B., Rachmawati, E., & Santoso, S. E. B. (2021). The effect of profitability, company growth, company size and capital structure on firm value. *Review*

of Applied Accounting Research (RAAR), *1*(1), 14-24.
38. Yahya, A., Triwibowo, E., Sari, A. K., & Kartika, D. (2024). Corporate Social Responsibility Disclosure, Institutional Ownership, and Asset Growth to Improve Firm Value. Journal of Applied Managerial Accounting, *8*(1), 59-71.
39. Šepa, A., Peštović, K., Tica, N., & Saković, D. (2024). Key determinants of firm value: evidence from Serbian listed companies. *Anali Ekonomskog fakulteta u Subotici*, (00).
40. Listihayana, Y., & Astuti, S. (2020). Analysis of the Effect of Capital Structure, Growth Opportunity, and Systematic Risk on Firm Value. Scientific Journal of Management, Business and Accounting Students *(JIMMBA)*, *2*(1), 64-71.
41. Wibowo, CA, & Andayani. 2021. *The Effect of Leverage, Profitability, Dividend Policy Dividend Policy and Company Size on Company Value. Journal of Accounting Science and Research.* 10 (2), 1 - 20. E-ISSN: 2460-0585*.*
42. Dinasari, L., & Herawaty, V. (2020). The Effect of Financial Performance and Systematic Risk on Firm Value With Financial Distress as a Moderating Variable in Consumer Companies. *KOCENIN Serial Konferensi*, (1), 4-8.
43. Hertina, D., Hidayat, M. B. H., & Mustika, D. (2019). Company size, debt policy and profitability influence firm value. *Jurnal Ecodemica*, *3*(1), 1-10.
44. Iman, C., Sari, F. N., & Pujiati, N. (2021). The effect of liquidity and profitability on firm value. Perspective Journal, *19*(2), 191-198.
45. Saputri, C. K., & Giovanni, A. (2021). The effect of profitability, company growth and liquidity on firm value. *Competence: Journal of Management Studies*, *15*(1), 90-108.
46. Prihanta, S. M., Hapsari, I., Santoso, S. B., & Wibowo, H. (2023). Effect of profitability, leverage, and liquidity on company value with dividend policy as A moderation variable (in IDX high dividend companies 20 period 2017–2021). *Formosa Journal of Applied Sciences*, *2*(1), 1-24.
47. Yulimtinan, Z., & Atiningsih, S. (2021). Leverage Company Size Sales Growth to Company Value with Profitability as a Mediating Variable. Balance: Journal of Accounting and Business, 6(1), 69.
48. Nawaz, R., Ahmed, W., Imran, Sabir, S., Arshad, M., Rani, T., & Khan, A. (2017). Financial variables and systematic risk. Chinese Business Review, 16(1), 36–46.

APPENDIX

Number	Variable	Measurement Indicators
1	Company value	$PBV = \frac{\text{Market share price}}{\text{Book value per share}}$
2	Asset growth	$\text{Asset growth} = \frac{\text{year t total-year t-1 total assets}}{\text{year t-1 total assets}} \times 100\%$
3	Systematic risk	Stock returns $i = \alpha_i + \beta_i$ stock indeks $+ e_i$
4	Profitability	$ROA = \frac{\text{Net profit}}{\text{Total assets}}$