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The Influence of Liquidity Ratio and Solvency Ratio on Profitability Ratio of PT Apexindo Pratama Duta Tbk

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Abstract: *This investigation was conducted to examine the impact of liquidity ratios and solvency ratios on the profitability ratio of PT Apexindo Pratama Duta Tbk. Using quantitative methods, this investigation seeks to ascertain the company's capacity to manage its liquidity and solvency aspects, it is anticipated to have a favorable effect on profitability. The results of the analysis show that although the company shows good liquidity, the high level of leverage and difficulty in generating average profits indicates challenges in managing profitability. This research recommends that companies focus more on debt management and optimizing funding structures to increase their profitability. More investigation is required to understand other elements that may influence the financial performance of these companies, as well as to identify strategic steps to increase the company's profitability in the future.*

Keywords: *Profitability, Solvency, Liquidity*

INTRODUCTION

Background

Almost all industrial sectors need oil and gas because they are the main energy sources throughout the world. Apart from that, oil and gas are also used as raw materials for chemical products, medicines, fertilizers, solvents, plastics and pesticides. Oil and gas controls the lives of many people because it is an important commodity with an important role. Therefore, the Government of the Republic of Indonesia has established various regulations to manage the oil and gas industry. These regulations also include the tools to implement them. All business activities, from upstream to downstream, are regulated by the management regulations of this important industry. The regulations governing Oil and Gas and regulating oil and gas management in Indonesia are written in Law NO. 22 of 2001

The company PT Apexindo Pratama Duta Tbk was first established in 1984, at which time there were no companies involved in offshore drilling and drilling for the oil and gas, coal bed methane and geothermal industries. One of the supporters of national energy resources, PT Apexindo Pratama Duta Tbk., prides itself on its ability to handle various drilling projects with a high level of expertise and professionalism, thanks to its fleet consisting of 6 land rigs and 4 offshore rigs, including 1 jack-up and 3 swamp barges. Its reputation as a reliable partner in the energy sector is demonstrated by its collaboration with several leading energy resource

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supporting entities such as Chevron, Pertamina, Total E&P Indonesia, Santos and VICO Indonesia.

Its reputation as a reliable partner in the energy sector is demonstrated by its collaboration with leading energy sector companies such as PT Chevron Pacific Indonesia, PT. Pertamina, Total E&P Indonesie, even VICO Indonesia participated in collaborating with Apexindo. Apexindo has been committed to providing the best service to its clients since its founding, with a focus on safety, quality and efficiency. Continuous investment in the latest technology, human resource development and strict operational standards provide this support.

Apart from that, Apexindo also really cares about social responsibility and the surrounding environment. PT Apexindo strives to have a positive impact on local communities and the environment around its operational locations through various CSR initiatives and sustainable activities. As a company that has experienced significant growth since its founding, Apexindo continues to increase its reach and improve its capabilities to face crises and seek opportunities in the future. PT Apexindo Pratama Duta Tbk hopes to remain a leader in the drilling industry, exploring the boundaries of technology, and making a sustainable contribution to the growth of Indonesia's energy sector with dedication to excellence and integrity in every aspect of its operations.

Considering the impact of complex global economic pressures, such as global normalization policies, uncertain geopolitical conditions, and the persistence of high inflation, stability in various sectors must be considered. Companies must maintain their performance to keep up with market changes. The company's financial report will present the company's financial performance, showing what percentage or figure of profit can be generated. Financial performance shows how well a company can generate profits, which is demonstrated by continuous management decisions and operational processes that address liquidity, solvency, profitability and stability (Besley & Brigham, 2008; Munawir, 2012).

How well a company's financial performance is can be monitored from how efficiently its operational costs are managed and used. The costs incurred by a company while operating are known as own operating costs. Operational efficiency is measured to find out how well management can balance expenses for operational costs with the company's operational income obtained and how well the company can fulfill its obligation to pay its current liabilities at the due date. "The lower the company's liquidity ratio, the more efficient the company's operational costs will be, which means the company's ability to operate in difficult conditions will be less. A company is considered healthy if its BOPO is no more than 93.52%." In other words, if a company's BOPO is more than that, the company is considered unhealthy and inefficient.

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Ratios are a tool used to measure several aspects of an entity to analyze its financial statements statistically relate to each other. These help analysts understand and show how good or bad a company's financial situation is over time. Businesses can improve their financial performance by taking advantage of factors such as liquidity, solvency, and profitability.

Profitability Ratios will display numbers that show how well a company is at generating profits compared to all its assets within a certain period of time. One calculation method for assessing how good a company's Profitability Ratio is is to use the return on asset calculation method, namely the analysis of net profit relative to the total assets available. That's where the operational performance of a company is linked to the efficiency of its operational costs. If a business entity is able to achieve the specified operational efficiency standards, as well as the ability to generate increased profits, this will contribute to an increase in the business's financial performance and will be followed by an increase in its profitability ratio, and vice versa.

Table 1 Profitability of PT. Apexindo Pratama Duta Tbk 2013 - 2022

	Profitability Aspect			
Year	Income	Net profit	Total Assets	Shareholders' Equity
2013	259,595,002	49,239,139	666,884,552	41,756,977
2014	249,325,833	- 15,863,872	778,463,549	26,671,471
2015	246,286,442	19,749,146	704.269.307	46,820,859
2016	105.176.356	- 19,576,811	682,374,240	26,972,883
2017	74,475,065	- 102,522,869	577,634,595	- 46,995,509
2018	91.610.151	- 103,803,935	514,675,498	- 150,267,591
2019	93,918,906	20,356,327	500,726,249	56,295,236
2020	54,767,506	44,509,502	336,261,513	126,706,348
2021	65,155,633	3,656,487	357,749,955	131,220,300
2022	80,976,771	- 64,740,314	262,966,788	66,398,284

Liquidity ratios are a way to find out how liquid a company is. It shows whether the company can meet its obligations or pay its short-term debt; otherwise, the company is considered liquid. Comparing all current assets and current liabilities, as well as short-term debt, is a way to find out whether a company is liquid. This measurement can be done repeatedly to find out how the company's liquidity develops over time.

Table 2 Liquidity of PT. Apexindo Pratama Duta Tbk. 2013 – 2022

	Liquidity Aspect	
Year	Current assets	Total short-term liabilities
2013	152,051,043	119.109.331
2014	158,211,513	149,212,464
2015	113,538,617	379,483,295
2016	98,575,208	42,685,678
2017	84,441,537	376,352,687
2018	73,339,888	422,218,404
2019	68,631,995	18,904,522
2020	52,420,629	6,329,060
2021	65,351,664	17,294,981
2022	70,713,353	15,239,151

The ability of a company to meet all its obligations in case of liquidation is known as the solvency ratio. Whether the company's assets can cover all debts if the company is liquidated is usually a problem (Sutrisno, 2001:16). A company has greater risk or loss when its solvency ratio is higher, and conversely, when the solvency ratio is smaller, the risk or loss incurred by the company is smaller.

Table 3 Solvency of PT. Apexindo Pratama Duta Tbk. 2013 – 2022

	Solvency Aspect	
Year	Total Liabilities	Total Equity
2013	508,389,430	282,521,524
2014	751,792,078	26,671,471
2015	658,248,448	46,020,859
2016	655,401,357	26,972,883
2017	624.630.104	- 46,995,509
2018	664,943,089	- 150,267,591
2019	444,431,013	- 56,295,236
2020	209.555.165	126,706,348
2021	226,529,655	131,220,300
2022	196,568,504	66,398,284

Based on the problem identification above, research was conducted entitled "Do Liquidity and Solvency influence the Profitability of PT. Apexindo Pratama Duta Tbk.?”

Formulation of the problem

Do Liquidity and Solvency affect Profitability? PT. Apexindo Pratama Duta Tbk over the last 10 years ?

Research Objectives

Based on the formulation of existing problems, this study seeks to determine the level of profitability of a company that influences its liquidity or capacity for short-term commitments and solvency or capacity to fulfill long-term commitments.

LITERATURE REVIEW

Financial Management

Financial management, sometimes known as spending, encompasses a company's overall efforts to raise money and capital. Financial management, according to Sartono (2010:6), can be seen as financial management in relation to efforts to collect cash to finance investments or expenses efficiently and allocate funds in various types of investments. According to Horne and John (2012: 2), financial management is the process of acquiring, financing and monitoring assets in accordance with a number of broad objectives

Liquidity A

Good business has a good level of liquidity ratio to operate the business. A company's relationship with shareholders can become bad if they lack funds to pay maturing debts. Liquidity is a measure of a company's capacity to fulfill its obligations when they fall due with its current assets (Kasmir, 2014). An organization's capacity to meet its short-term financial commitments in the future is measured by its liquidity. The capacity of a business to convert some of its assets into cash and its overall financial health is referred to as liquidity (Lukman Syamsuddin: 2009)

Be aware of liquidity ratios, which are used to assess a business's capacity to meet its direct responsibilities. This ratio is important because a company's failure to pay its debts can result in bankruptcy. By comparing the company's current assets and current liabilities, this ratio is calculated..

As mentioned previously, the liquidity ratio shows how well a company is positioned to pay off its short-term debt when it matures. The analytical method commonly used to determine the short-term liquidity capacity of a company is liquidity ratio analysis, which compares the amount of a company's current assets with its short-term debt. Therefore, **the Current Ratio** will be used as an analytical tool to examine and measure PT liquidity in the liquidity aspect. Pratama Apexindo Duta Tbk.

According to Kasmir (2012:134), the current ratio is a method for evaluating a company's capacity to resolve short-term debt. This means the amount of existing assets to meet future needs. As translated by Charlie Sariputra (2011:75), Arthur J. Keown said, "Current ratio which is calculated by dividing current assets by current liabilities (short-term debt), displays the liquidity of the business." A greater level of the current ratio indicates the organization's capacity to meet its short-term financial commitments. However, because some of the working capital is not delivered, a debt ratio that is too high will have a negative impact on the company's ability to earn profits.

Solvency

"The solvency ratio is a ratio that displays the amount of debt used to fund business activities." (Kasmir 2014; 150). However, Irham Fahmi (2014: 59) explains that solvency is a ratio that indicates how well a business can manage its debt to pay off its debt and produce Profit. The solvency ratio displays the amount of debt a business has in relation to its capital or assets. A company uses its own capital only if the company does not have leverage or solvency factors (Agus Sartono, 2010: 120).

The following are several types of solvency ratios:

a) Total Debt to Total Assets Ratio (DAR)

This ratio, also known as the "debt ratio," calculates the amount of money that comes from debt. This debt includes all long-term and short-term debt of the organization.

Creditors prefer a low Debt Ratio, this means the level of security is good (Sutrisno, 2001:249). Here is how to calculate it:

$$DAR = \frac{Total\ Utang}{Total\ Aset} x\ 100\%$$

This ratio will show how much debt can be paid off using assets. The debt to asset ratio should be smaller because a smaller ratio indicates problems that are easier to manage (Harahap, 2002:304).

b) Debt to Equity Ratio (DER)

So that expenses remain not too high, ideally the company has a level of debt that does not exceed its own capital. It is better if this ratio is smaller. Thus, a debt to capital ratio of less than one indicates increased security (Agus Sartono, 1997: 66). This is the formula to calculate it:

$$DER = \frac{Total\ Utang}{Total\ Ekuitas} x\ 100\%$$

c) Time Interest Earned Ratio

This ratio is used to calculate the maximum amount of profit reduction without having a negative impact on the company's ability to pay interest costs. Even though a high ratio is considered safe, it can also mean that the company uses too low debt (Financial Leverage), this also requires attention from management if the ratio is at a low number (Agus Sartono, 1997:66).

Profitability

According to Sutrisno (2009:16), profitability is the company's capacity to generate income in any way possible, while Sofyan Syafri Harahap (2009:304) defines profitability as "cash and operations". explains how a business can make money using all the capacity and resources it has, such as capital, personnel, and branch locations. "Meanwhile Suad Husnan (2004:72) said that profitability is "showing the company's ability to deal with liquidity, asset management and debt on operating results".

By considering the definition of profitability from several experts, it can be concluded that the potential of an organization to generate net profits from activities during a certain accounting period is determined by its profitability ratio. So, in the Profitability aspect, Return On Assets **(ROA) will be used** as an analytical tool to see and measure the Company's Profitability.

The ability of a business to generate profits with all its assets is shown by the Return On Assets (ROA) ratio. Earnings before interest and taxes, or EBIT, is the profit earned in this case. The ROA formula is:

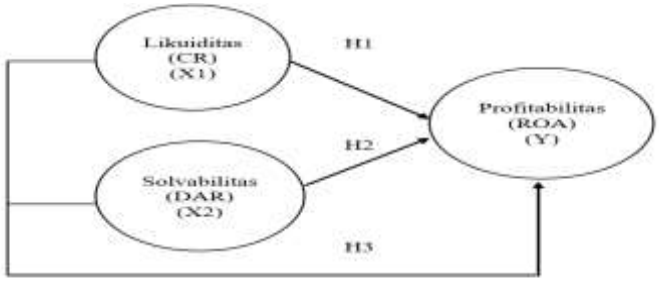
$$ROA = \frac{Laba\ Bersih}{Total\ Aset} x\ 100\%$$

RESEARCH HYPOTHESIS

H1 = There is influence of liquidity on company profitability

H2 = There is influence of Solvency on company Profitability

H3 = There is influence of Liquidity and Solvency on company Profitability



RESEARCH METHODOLOGY

Research methods

To determine the effect of liquidity and solvency on the profitability of PT Apexindo Pratama Duta Tbk, quantitative research methodology was used in this research.

Research Location and Time

This research took place at the company PT Apexindo Pratama Duta Tbk which is in the city Jakarta which will be held from 1 6 April to 7 June 2024.

Data Types and Sources

By using secondary data as the data used in this research, which comes from the Annual Financial Report of PT Apexindo Pratama Duta Tbk . in 2013 - 2022 and related articles and journals.

Population and Sample

PT Apexindo Pratama Duta Tbk Jakarta is the subject of our research, the data we got came from Busa Efek Indonesia (BEI), and PT's personal website. Apexindo Pratama Duta Tbk.

Data collection technique

Using data in the Annual Financial Report of the company PT. Apexindo Pratama Duta Tbk in 201 3 to 202 2 .

Data Processing Stages

The data processing steps begin with collecting related data, then continue with the data tabulation process, continue with data processing in the SPSS data processing application, then conclude the analysis results from the processed data.

Hypothesis testing techniques and data analysis

Inferential statistical analysis is used in data analysis techniques, namely regression techniques, which explain the strength of the relationship between X 1,

- Descriptive Statistics

  Statistics is the process of converting research data into tables that are easy to understand and interpret. The purpose of descriptive statistics is to provide information about important aspects of research , where each variable, minimum value, maximum value, mean (average) and standard deviation will be known because the data processed includes liquidity ratios, solvency ratios and company profitability ratios.

- Classic assumption test

  a. Normality test

  The normality test is used to verify whether the confounding variables or residuals in the regression model are normally distributed. Normal or close to normal data distribution is seen as a sign of the success of the regression model (Imam Ghozali, 2011: 160). This study will look at the distribution of variables and residual values.

  b. Autocorrelation Test

  In the linear regression test, to ensure the relationship between the confounding error in period t-1 or the previous period and the residual error in period t, an autocorrelation test is carried out. If there is no autocorrelation in the data processing output, the regression model is considered very good. Because autocorrelation in linear models can lead to wrong conclusions and cause model disturbance.

  c. Hypothesis testing

  Determining whether a statement is accepted or not is done by hypothesis testing which is used to test the truth of a claim statistically.

RESULTS AND DISCUSSION

Normality test

The "Case Processing Summary" table provides an overview of the amount of valid and missing data for each variable used in the analysis. The following is an explanation for each variable:

Variable	Valid	Missing	Total
Liquidity Ratio	10	0	10
Solvency Ratio	10	0	10
Profitability Ratio	10	0	10

- Complete data: All variables have 10 valid data and no missing data. This shows that the dataset used in the analysis is complete and there are no missing values.
- Data quality: Data quality is excellent as there is no missing data, which allows analysis results to be more accurate and reliable.

- With complete data, we can be sure that the regression analysis carried out is not affected by missing data which could cause bias. All variables in the model have been properly measured for all cases, ensuring the accuracy of the statistical analysis results.
- So after this, using this information, we can carry out regression analysis or other statistical analysis with confidence that the data used is complete and valid. This supports the validity of the conclusions drawn from the previous regression analysis.

Descriptive Analysis

Descriptive analysis as shown in the figure is very important in the context of statistics and research. Here are some reasons why this analysis is important:

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Liquidity	10	0.17	8.26	2.5630	2.58147
Solvency	10	O.62	1.29	0.8720	0.21837
Profitability	10	-0.25	0.13	-0.0400	0.12675
Valid N	10				

Based on the results of the table above, it proves that in the last ten years of financial research at PT Apexindo Pratama Duta Tbk . The data above shows the results, maximum, minimum, mean and standard deviation.

1. From the results of descriptive statistical analysis over the last 10 years , the liquidity ratio variable as measured by the current ratio obtained a mean value of 2.5630 with a standard deviation of 2.58147. This shows that the company's current assets during the 2013-2022 period, on average were around 256 .3% of its current debt. With this, the company has more than enough current assets to cover its current liabilities.
2. It can be seen from the results of the analysis above for the last 10 years, the solvency ratio variable measured using the debt to assets ratio obtained a mean of 0.8720 with a standard deviation of 0.21837. It can be concluded that over the last 10 years, companies in general have had a high level of leverage. high with an average of 87.20% of their assets funded by debt. Significant variations in this ratio indicate differences in debt management strategies at these companies. Management and investors should be aware of the risks associated with high levels of leverage and consider measures to effectively manage such risks.
3. The results of descriptive statistical analysis for the ROA variable obtained an average value of -0.0400 with a deviation value of 0.12675 based on the average value showing that the company during 2013-2022 experienced a loss of -4.00%.

Correlation Analysis

	Ratio Liquidity	Ratio Solvency	Ratio Profitability
Ratio Liquidity	1	-0.680	0.390
Sig. (2-tailed)		(0.030)	(0.030)
Solvency Ratio	-0.680	1	-0.570
Sig. (2-tailed)	(0.030)		(0.085)
Profitability Ratio	0.359	-0.570	1
Sig. (2-tailed)	(0.308)	(0.085)	

Based on the table of correlation analysis results (paerson correlation) provided, the following is an interpretation of the relationship between liquidity ratios, solvency ratios and profitability ratios:

- Relationship Between Liquidity Ratios and Solvency Ratios
  - Pearson Correlation Coefficient: -0.680

    This shows that there is a strong negative relationship between the liquidity ratio and the solvency ratio. This means that when the liquidity ratio increases, the solvency ratio tends to decrease, and vice versa.
  - Significance Value (Sig. 2-tailed): 0.030

    At the 95% confidence level, this relationship is significant because the p value (0.030) <0.05. Alternatively, there is sufficient statistical support for the claim that liquidity and solvency ratios are indeed correlated.
- Relationship Between Liquidity Ratios and Profitability Ratios
  - Pearson Correlation Coefficient: 0.359

    This shows that there is a weak positive correlation between liquidity ratios and profitability ratios. This means that when the liquidity ratio increases, the profitability ratio tends to increase too, but this relationship is not strong.
  - Significance Value (Sig. 2-tailed): 0.308

    Because the p-value (0.308) > 0.05, this relationship is not significant. Thus showing the absence of sufficient statistical support to state that the liquidity ratio and profitability ratio are truly correlated.
- Relationship Between Solvency Ratios and Profitability Ratios
  - Pearson Correlation Coefficient: -0.570

    This shows that there is a moderate negative correlation between the solvency ratio and the profitability ratio. This means that when the solvency ratio increases, the profitability ratio tends to decrease, and vice versa.
  - Significance Value (Sig. 2-tailed): 0.085

    Because the p-value (0.085) > 0.05, this relationship is not significant at the 95% confidence level, but is approaching the significance limit. This means that there is an indication that there is a relationship between the solvency ratio and the profitability ratio, but the statistical evidence is not strong enough to confirm this relationship at the 95% confidence level.

- General Conclusion
  - Liquidity Ratios and Solvency Ratios: There is a strong and significant negative relationship between liquidity ratios and solvency ratios.
  - Liquidity Ratios and Profitability Ratios: There is no significant relationship between liquidity ratios and profitability ratios.
  - Solvency Ratio and Profitability Ratio: There is a moderate negative relationship between solvency ratio and profitability ratio, but this relationship is not significant at the 95% confidence level.

Thus, this correlation analysis shows that the liquidity ratio has a significant relationship with the solvency ratio, but not with the profitability ratio. The solvency ratio shows an indication of a relationship with the profitability ratio, but it is not statistically significant.

Coefficient of Determination Test (R2)

The R $_{2\ test}$ attempts to find out whether variables X and Y are correlated with each other, as divided in the following table:

Statistics	Mark
Correlation Coef (R)	0.572
Coef of Determination (R^2)	0.327
Adjusted R^2	0.135
Standard Error	0.11792
Durbin Watson	0.971

Based on the results of the table above, it proves that the coefficient of determination, which is often known as R square, is at 0.572. The R square findings show that variables X1 (Liquidity)

Adjusted R Square of 0.135 shows that after correcting for the number of independent variables and samples, it is around 13.5%. A lower value of R^2 indicates that the model may not be very powerful in explaining variations in profitability ratios after taking into account the number of predictors.

Std. Error of the Estimate of 0.11732 shows how far the data points deviate from the estimated regression line. This value indicates the accuracy of our model's predictions, with lower values indicating better predictions.

The Durbin-Watson value of 0.971 indicates the presence of weak positive autocorrelation in the residuals of the regression model. While this is not indicative of a major problem, it does show that there is a slight positive correlation between successive prediction errors. Researchers may need to carry out further checks and consider improving the model if necessary.

Simultaneous Regression Test (f Test)

The Simultaneous Regression Test aims to test how simultaneously variable X (Liquidity and Solvency) influences variable Y (Profitability). Following is the table:

Variation	Sum of Squares (SS)	df	Mean Square (MS)	F	Shift. (P- Value)
Regression	0.047	2	0.024	1,700	0.250
Residual	0.097	7	0.014		
Total	0.145	9			

Based on the simultaneous test findings (f), which are displayed in the anova table above, the f value calculated for this study is 3.927 < 4.737 (F table) and the significance value is 0.250 > 0.05.

The p-value is 0.250 > 0.05, indicating that the overall regression model is not significant at the 95% confidence level. This means that there is not enough statistical data to conclude that the solvency ratio and liquidity ratio together have a high impact on the profitability ratio.

So, if the calculated F value from the ANOVA table (3.927) is compared with the F table value (4.737), we can conclude that the calculated F value < table F value. Thus, at a significance level of 0.05. This means that the predictor variables (Solvability Ratio, Liquidity Ratio) as a whole do not have a significant effect on the dependent variable (Profitability Ratio).

Linear Regression Test

Based on the given "Coefficients" table, we can see the results of linear regression analysis. This table shows the coefficients of the independent variables in the regression model and the t test results for each coefficient. The following is an explanation and analysis of the table.

Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Collinearity Statistics
		B	Std. Error	Beta		Tolerance
1	(Constant)	0.274	0.256		1,069	0.321
	Liquidity Ratio	-0.003	0.021	-0.053	-0.126	0.903
	Solvency Ratio	-0.352	0.246	-0.607	-0.607	0.195

- From the data above, it can be concluded that the intercept value (0.274) is the expected value of the Profitability Ratio when the Liquidity Ratio and Solvency Ratio are equal to zero. However, the p value (Sig. = 0.321) is not significant, indicating that the intercept is not significantly different from zero.
- The Tolerance (0.537) and VIF (1.861) values for the Liquidity Ratio and Solvency Ratio are within the acceptable range, indicating that multicollinearity is not a problem in this model. Conclusion

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- Liquidity Ratio:
  - The unstandardized coefficient (-0.003) indicates that for every one unit increase in the Liquidity Ratio, the Profitability Ratio decreases by 0.003 units, assuming other factors remain constant.
  - The standardized coefficient (-0.053) shows a weak negative relationship between Liquidity Ratio and Profitability Ratio.
  - The p value (Sig. = 0.903) is much greater than 0.05, showing that the Liquidity Ratio is not a statistically significant predictor of the Profitability Ratio.
- Solvency Ratio:
  - The unstandardized coefficient (-0.352) shows that for every one unit increase in the Solvency Ratio, the Profitability Ratio decreases by 0.352 units, assuming other factors remain constant.
  - The standardized coefficient (-0.607) shows a stronger negative relationship between the Solvency Ratio and Profitability Ratio compared to the Liquidity Ratio.
  - The p value (Sig. = 0.195) > 0.05, shows that the Solvency Ratio is also not a statistically significant predictor of the Profitability Ratio.

Based on regression analysis, neither the Liquidity Ratio nor the Solvency Ratio are statistically significant as predictors of the Profitability Ratio. The p value for both independent variables is > the commonly used significance level of 0.05, indicating that changes in liquidity and solvency ratios do not have a significant impact on the profitability ratios in this model. Collinearity statistics indicate that multicollinearity is not a problem, so this insignificance is likely due to the nature of the data present.

Overall, it appears that other factors not included in this model may influence profitability ratios, and further research or additional variables may be needed to better understand the determinants of profitability in this context.

CONCLUSION

After carrying out analysis using SPSS on the financial data of PT Apexindo Pratama Duta Tbk, several important points can be concluded from the results of the statistical analysis carried out. The following are interpretations and conclusions based on these results:

Data Quality

The data used in this analysis is complete and nothing is missing, so the results of the analysis can be considered accurate and unbiased. This good data quality provides a strong basis for the statistical analysis carried out.

Descriptive Analysis

From the descriptive analysis, it can be seen that:

- The company has good liquidity with an average current ratio of 2.5630, indicating that the company's current assets are sufficient to eliminate its current liabilities.
- The company's leverage level is quite high with an average debt to assets ratio of 0.8720, indicating that most of the company's assets are funded by debt. Significant variations in this ratio indicate differences in debt management strategies.
- The company experienced an average loss of 4.00% based on ROA over the 2013-2022 period, with considerable variation in its profitability performance.

Management and investors need to pay special attention to high levels of leverage and negative profitability performance, and consider measures to manage risks and increase the company's profitability in the future.

Correlation Test

Based on the analysis results from the correlation test, it can be concluded that:

- The liquidity ratio has a significant relationship with the solvency ratio, meaning that an increase in liquidity tends to be followed by a decrease in solvency, and vice versa.
- The liquidity ratio does not have a significant relationship with the profitability ratio, so changes in liquidity do not significantly affect the company's profitability.
- The solvency ratio shows indications of a negative relationship with the profitability ratio, but this relationship is not statistically significant at the 95% confidence level. This shows that although there is a tendency that increasing solvency can reduce profitability, the statistical evidence is not strong enough.

Thus, the results of this analysis provide important insights for company management in managing liquidity and solvency, as well as considering the impact on profitability. The main focus should be on managing liquidity and solvency more carefully, given the significant relationship found between the two.

ANOVA and Linear Regression Test

The simultaneous ANOVA test shows that the dependent variable (profitability ratio) is not significantly influenced by the combination of independent factors (solvency and liquidity ratios). In conclusion, the regression model cannot explain the simultaneous impact of liquidity ratios and solvency ratios on profitability ratios because the calculated F value < table F value and the p value is more than 0.05. Therefore, data analysis does not support the assumption that profitability ratios are significantly influenced by the combination of liquidity and solvency ratios.

Likewise, with the results of the regression analysis carried out, neither the Liquidity Ratio nor the Solvency Ratio were proven to be significant as predictors of the Profitability Ratio, with a p value for both variables > 0.05. This shows that in this model, changes in these two ratios do not have a significant impact on profitability. Multicollinearity analysis shows that there are no problems with collinearity, so this insignificance may be caused by data or variables not included in the model. This indicates that other factors may influence profitability ratios, and for better understanding, further research or the addition of other variables in this model is needed .

Overall Interpretation

- H1: There is an influence of liquidity on company profitability
  - The analysis findings show that there is no significant relationship between liquidity ratios and profitability ratios. This means that the existing data does not support the hypothesis that company liquidity affects profitability. Changes in liquidity ratios do not statistically affect the level of company profitability based on the analyzed model.
- H2: There is an influence of solvency on company profitability
  - For this hypothesis, the analysis results show that the solvency ratio does not show a significant influence on profitability. Although there are indications that changes in solvency ratios may be influential, the existing statistical evidence is not strong enough to support this hypothesis. This shows that based on the analyzed data, the company's solvency does not significantly affect profitability.
- H3: There is an influence of liquidity and solvency on company profitability
  - Based on regression and ANOVA tests, the combination of liquidity ratios and solvency ratios does not make a significant contribution to profitability. This means the data does not support the hypothesis that these two variables together influence company profitability. The existing model is not strong enough to explain the simultaneous influence of these two ratios on profitability.

Based on the results of the analysis, the three hypotheses (H1, H2, H3) result in that neither the liquidity ratio nor the solvency ratio have a significant impact on the company's profitability. The causes can be various , such as data that does not cover all important variables, or other variables that have a greater influence on profitability. Thus, further studies are needed with additional variables or different methods to understand the aspects that influence company profitability in more depth.

Final Conclusion

Based on the results of the analysis of PT Apexindo Pratama Duta Tbk, it appears that the company has a good level of liquidity, reflecting its ability to fulfill its current obligations. However, the company also exhibits a high level of leverage, with most assets financed by debt, which can increase financial risks. In terms of profitability, the company experienced average losses during the period analyzed, indicating challenges in generating profits from existing assets.

The analysis shows that neither liquidity nor solvency ratios have a significant influence on company profitability in the model tested. This indicates that other factors may be more decisive in influencing a company's capacity to generate income . Therefore, company management needs to pay attention to debt management strategies and efforts to increase profitability. It may be necessary to further evaluate the company's funding and operational structure and consider indicators other things that might affect the company's financial performance. Further research may be needed to better understand the indicators that influence profitability and to identify steps that can be taken to improve it.

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