

ABSTRACT

This study aims to examine the effect of financial ratios such as profitability, leverage, liquidity, and activity on the number of desire reports and firm value. As well as to see whether there is a mediating effect of the number of desire reports between financial ratios and firm value. The financial ratio variables used include profitability, leverage, liquidity, and activity ratios. The dependent variable is firm value, while the mediating variable is the sustainability report disclosure.

The sample tested in this study was determined using purposive sampling method from non-financial companies listed on the Indonesia Stock Exchange (IDX), especially the ESG 45 Kehati quality index from 2021 to 2023. The number of samples is 110 samples. The analytical test technique used first is descriptive statistical analysis, classical asymmetry test, hypothesis testing, then the regression analysis method used is path analysis using the IBM SPSS 27 application.

The results of this study indicate that profitability has a positive and significant effect on firm value, leverage has no effect on firm value, liquidity has no effect on firm value, and activity has a significant positive effect on firm value. The mediating variable of sustainability report disclosure has a negative and significant effect on firm value but fails to mediate the relationship between financial ratios and firm value.

Keywords: Profitability, leverage, liquidity, activity, sustainability report disclosure, firm valu

