International Journal of Economics and Management Research

E-ISSN: 2830-2508
P-ISSN: 2830-2664

Research Article

The Effect of Profitability, Asset Growth, and Profit Growth on Company Value (An Empirical Study of the Technology Sector Listed on the IDX for the 2021-2024 Period)

Natalia Pasaribu[1*], Dadang Irawan[2], Sigit Pramono Hadi[3]

[1] Sekolah Tinggi Ilmu Ekonomi Kasih Bangsa Jakarta, Indonesia; natalyapasaribu241@gmail.com
[2] Sekolah Tinggi Ilmu Ekonomi Kasih Bangsa Jakarta, Indonesia; dadang@stiekasihbangsa.ac.id
[3] Sekolah Tinggi Ilmu Ekonomi Kasih Bangsa Jakarta, Indonesia; sigit@stiekasihbangsa.ac.id
* Corresponding Author: Natalia Pasaribu

Abstract: The purpose of this study is to examine the influence of profitability, asset growth, and profit growth on firm value in technology sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2024 period. The research population includes 47 technology companies, from which 9 companies were selected using a purposive sampling technique to meet the study criteria. This research applies a quantitative approach with multiple linear regression analysis to test the hypotheses. Data analysis includes descriptive statistics, classical assumption tests, and hypothesis testing using t-tests and F-tests. The results of the partial test (t-test) indicate that profitability and profit growth have a positive and significant effect on firm value, demonstrating that higher profitability and sustained profit growth increase investors' confidence, which leads to improved valuation. Conversely, asset growth does not significantly influence firm value, suggesting that an increase in assets does not necessarily reflect better performance or market perception in the technology sector. The simultaneous test (F-test) produces an F-value of 10.203 with a significance level of 0.000, confirming that profitability, asset growth, and profit growth collectively exert a significant effect on firm value. Furthermore, the coefficient of determination (R^2) is 0.489, meaning that 48.9% of the variation in firm value is explained by these three independent variables, while the remaining 51.1% is influenced by other factors not included in this model. These findings imply that firms should prioritize profitability and profit growth strategies to enhance their market value in the competitive technology industry.

Keywords: Asset Growth, Company Value, Profitability, Profit Growth, Technology sector.

1. Introduction

Technological disruption has penetrated various business sectors, changing company operational patterns, ways of interacting with consumers, and creating added value for stakeholders. These changes encourage businesses to strategically adapt through the use of technological innovation to maintain business continuity. In the modern era, marked by rapid digital transformation, it has had a significant impact on global economic growth, spurring various industrial sectors to continue innovating and integrating technology into every aspect of operations to increase competitiveness. Digitalization not only drives operational process efficiency but also expands market reach internationally. In Indonesia, the acceleration of digital transformation is supported by increasing internet penetration, high mobile device usage, and the widespread use of financial technology as part of the digital economy infrastructure. One example of the implementation of this financial technology is the Quick Response Code Indonesian Standard (QRIS)-based digital payment system, launched by Bank Indonesia in 2019 and officially effective since 2020. QRIS is now a universal payment system for non-cash transactions across platforms and banks.(Purnama Sari, 2025)Through QRIS,

Received: July 10, 2025
Revised: July 24, 2025
Accepted: August 24, 2025
Publised: September 06, 2025
Curr. Ver.: September 06, 2025

payment transactions can be made by simply scanning a single QR code, regardless of the application used, whether it's a banking app, digital wallet, or other payment platform connected to the QRIS system.

The implementation of QRIS makes it easier for people to make payments in various sectors, from retail, such as minimarkets and shopping centers; transportation, such as paying for bus, train, and online motorcycle taxi tickets; to public services, such as paying for entrance tickets to tourist attractions or parking fees, simply by scanning a single QR code. The existence of QRIS is an important solution because transactions are fast, easy, affordable, and secure. With QRIS, it can make it easier for small businesses (MSMEs) to accept digital payments, encourage a cashless culture and support the digitalization of the Indonesian economy. The growth of QRIS users has shown a very significant increase in Indonesia's digital transformation era. In October 2024, the number of QRIS users was recorded at 54.1 million with transaction growth of 183.9%.(Adimaja, 2024). Not only limited to domestic use, QRIS has also been expanded to become a payment systemcross-border paymentswhich has been implemented inThailand, Malaysia and Singapore, and was soon followed by other countries such as South Korea and Japan(Men's Fifty, 2024)This innovation reflects how digital technology in Indonesia has entered a phase of global integration.

This phenomenon shows a shift in people's consumption and transaction patterns, and indicates that technology adoption is now an important indicator.in expanding the company's value, especially the technology sector which is the main supporter of QRIS adoption.

Despite the continued push for digitalization, company value remains vulnerable due to market dynamics and intensifying competition. For example, PT Bukalapak Tbk discontinued sales of physical products on its marketplace platform on January 7, 2025, and shifted its focus to selling virtual products such as mobile phone credit and electricity tokens.(Asia Sanjaya, 2025)This decision demonstrates how difficult it is for companies to survive amidst intense e-commerce competition, which could ultimately impact investors' perceptions of the company's value. A similar situation was experienced by PT Sri Rejeki Isman Tbk (Sritex), which officially closed all factory operations on March 1, 2025, and laid off more than 10,000 employees.(Kompas.com, 2025)This case emphasizes that digital innovation alone does not guarantee the stability of a company's value if it is not supported by financial strength and an adaptive strategy to deal with external pressures. In the context of capital markets, a company's value is represented byPrice to Book Value (PBV), which shows investors' perceptions of a company's future prospects.

According to the Indonesian Stock Exchange (IDX) report in February 2023, the technology industry was recorded as havingThe sector average PBV is 2.71x, occupying a middle position among other sectors IDX This suggests that investors are placing a premium on the growth prospects of the technology sector, even though not all companies are generating stable profits. However, the question arises as to which indicators truly influence this.company values, especially in the context of technology companies in the Indonesian market.

Previous research has shown that company value is influenced by fundamental factors such as profitability (ROA), asset growth, and profit growth. Profitability, as measured by Return on Assets (ROA), reflects management's efficiency in generating profits from owned assets.(Syarah & Prasetyo, 2023)Asset growth indicates company expansion, and profit growth

is a positive signal for investors regarding business prospects. However, previous research has shown inconsistencies. Researchers' findings vary.(Wibowo & Ardiansyah, 2023)found a significant and negative influence, whereas(Yudistira et al., 2021)find positive influences, and(Rizqia Muharramah, 2022)did not find any significant effect.Then on asset growthstudy byTriyani et al., (2018)shows that asset growth does not always have an impact on company value. Meanwhile, research conducted by(Sovia Tunisa, Esih Jayanti, 2022)A study conducted by PT. Indofood Sukses Makmur Tbk, listed on the IDX for the 2016-2019 period, found that asset growth had a positive and significant impact on company value. Similarly,profit growth, research results related to the influence of profit growth on company value are also inconsistent.Suhartono et al., (2022)shows a negative and insignificant influence, whereasOlivia Havila Hermanto, (2021)concluded the opposite, namely that there was a positive and insignificant influence.

Inconsistencies in previous research findings indicate that the relationship between profitability, asset growth, and profit growth on firm value tends to vary. These differences in results are generally influenced by the research context, including the industry sector, observation period, and underlying economic conditions. The inconsistencies in previous research findings and the dynamics of the emerging technology sector make this study important for further investigation.The purpose of this study is to examine how firm value is influenced by profitability, asset growth, and profit growth in technology companies listed on the Indonesia Stock Exchange between 2021 and 2024. This research offers two theoretical contributions: first, it adds to existing knowledge on the factors influencing firm value. Second, these findings can be useful for investors, company management, and regulators in making strategic decisions and conducting financial analysis to enhance firm value.

2. Literature Review

2.1. Theory

This research is based on signaling theory and growth theory. According to signaling theory, companies can help balance competition by sending positive signals, including investment choices and financial reports, which in turn reduce information asymmetry. These signals increase investor confidence in the company's prospects.(Agustina, 2019). Essentially, growth theory is a key factor in increasing a company's value in the future. According to this theory, investors and the market will place a higher value on companies that demonstrate positive growth in assets, profits, and revenue. Growth theory states that companies with consistent asset and profit growth will be more highly valued by the market. This reflects positive prospects for increasing revenue and profitability.(Hergianti & Retnani, 2020).

2.2 Company Values

Company value is a dynamic concept influenced by various factors. It's not just about financial figures, but also about investors' perceptions of a company's future potential. The more positive investors' perceptions, the higher the value they place on the company. According toSaharuddin, (2019)Company value can be defined as the amount an investor or potential buyer would pay for a company when it is sold. Company value is very important to pay attention to because a high company value will be followed by high shareholder prosperity. According to(Wahasusmiah & Arshinta, 2022)Shareholder returns are positively correlated

with stock prices, and this condition will be favored by investors because increased demand for shares will result in increased company value.One way investors assess a company's value is by looking at indicators like Price to Book Value (PBV). Investors anticipate a company's growth rate to be faster when its PBV is higher. (Saharuddin, 2019)One way investors measure a company's performance is by looking at its stock price. If the stock price is high, investors will perceive the company's value as high, but if the stock price is low, investors will perceive the company's value as low.(Kurniawan et al., 2019).

$$\text{PBV} = \frac{\text{Stock Price}}{\text{Book Value Per share}}$$

2.3 Hypothesis Development

2.3.1 The Influence of Profitability on Company Value

One way to measure a company's success is by looking at its profitability. The capacity to generate profits is a measure of a company's profitability. ROA measures how well an organization converts its assets into profits.(Arifin & Triyonowati, 2023). According to previous research conducted by(Arifin & Triyonowati, 2023)A study of plantation subsector companies listed on the Indonesia Stock Exchange (IDX) from 2017 to 2021 revealed that profitability had a positive and significant effect on company value. Meanwhile, research conducted by(Hidayat & Khotimah, 2022)A study of chemical subsector companies listed on the Indonesia Stock Exchange for the 2018-2020 period found that profitability had no significant effect on firm value. This information was used to formulate the first hypothesis:
H1: "Profitability has an effect on company value in technology sector companies listed on the Indonesia Stock Exchange in 2021-2024."

$$\text{ROA} = \frac{\text{Net Profit}}{\text{Total Assets}}$$

2.3.2 The Effect of Asset Growth on Company Value

The growth of a company's assets can be defined as the increase or decrease in the total value of its assets from one accounting period to the next. Everything owned or controlled by a company is considered an asset. According toSovia Tunisa, Esih Jayanti, (2022)The increase or decrease in total assets as a proportion of total assets from the end of one fiscal year to the end of the next fiscal year represents asset growth. The extent to which a company is able to expand its asset base over time is indicated by asset growth. An increase in assets can indicate that the company is growing and has good prospects for the future. Based on previous research conducted by(Sovia Tunisa, Esih Jayanti, 2022)A study conducted by PT. Indofood Sukses Makmur Tbk, listed on the IDX for the 2016-2019 period, found that asset growth had a positive and significant effect on company value. Meanwhile, research conducted by(Yudistira et al., 2021)A study of manufacturing companies listed on the Indonesia Stock Exchange (IDX) from 2017 to 2019 revealed that asset growth had no effect on company value. Based on this explanation, the second hypothesis is formulated:
H2: "Asset growth has an impact on company value in technology sector companies listed on the Indonesia Stock Exchange in 2021-2024."

$$\text{Asset growth} = \frac{\text{Total Assets (t)} - \text{Total Assets (t-1)}}{\text{Total Assets (t-1)}}$$

2.3.3 The Effect of Profit Growth on Company Value

Profit growth is an important metric to consider when evaluating a company's financial health over a period of time. According to(Sri Ayem, 2021)Profit growth is a measure that shows how a company's profit growth is likely to increase in the future. A company's net profit is a positive indicator of its capacity to provide value to its stakeholders and investors, as well as its prospects for future value development. When the current year's net profit is higher than the previous year's net profit, profit growth is said to be growing. Based on previous research conducted by(Rohman et al., 2024), in retail sector companies listed on the Indonesia Stock Exchange in 2021-2023, showed that profit growth had a significant negative impact on company value. Meanwhile, research conducted byMufidah et al., (2024)A study of companies listed on the Indonesia Stock Exchange in the food and beverage sector from 2017 to 2021 found that profit growth had no effect on firm value. The following is the researcher's third hypothesis based on the description above:

H3: "Profit growth has an effect on company value in technology sector companies listed on the Indonesia Stock Exchange in 2021-2024."

$$\text{Profit growth} = \frac{\text{Net Profit t} - \text{Net Profit t}-1}{\text{Net Profit t}-1}$$

2.3.4 The influence of profitability, asset growth and profit growth on company value

Profitability, leverage, company size, asset growth, and dividend policy are some of the factors that can influence company value. In this study, the variables influencing company value used are profitability, asset growth, and profit growth because these variables can help create value for the company. Previous research has shown that profitability, asset growth, and profit growth simultaneously impact company value. This study demonstrates that the combination of these elements influences the assessment of company value. Therefore, the author continues the research by formulating the fourth hypothesis as follows:

H4: "Profitability, Asset Growth, and Profit Growth have an impact on company value in technology sector companies listed on the Indonesia Stock Exchange in 2021-2024."

3. Research Methods

The research method used in this study is quantitative and aims to examine the influence between variables through statistical analysis. The data used is secondary data obtained from the official website of the Indonesia Stock Exchange. A total of 47 technology companies listed on the Indonesia Stock Exchange between 2021 and 2024 served as the study population. The sampling technique in this study used purposive sampling to select samples based on certain criteria: 1) companies that were actively listed during the study period (not on the delisting list), 2) companies that did not experience losses. These criteria were determined by the researcher to obtain data that could support the test of company value. Using the purposive sampling technique, the data sample was obtained using the following calculation.

Table 1. Sample Selection Process.

No.	Information	Amount
1.	Technology companies listed on the Indonesia Stock Exchange during the 2021 – 2024 observation period.	47
2.	Companies that experienced delisting or suspension during the observation period	(9)
3.	Companies that experienced losses during the research period	(29)
Number of companies sampled		9
Observation year		4 years
Total observations used		36

The analysis techniques of this research include descriptive statistics and multivariate analysis to test the hypothesis. Data were processed using SPSS software version 25. In the multivariate analysis before testing the hypothesis, a classical assumption test was first performed consisting of normality using Kolmogorov Smirnov with sig. > 0.05, heteroscedasticity using scatterplot shown by randomly distributed points, multicollinearity with VIF > 10 and tolerance > 0.10, and autocorrelation using runs test sig. > 0.05. After the data met all the classical assumption tests, a multiple linear regression analysis test was conducted to determine the effect of the independent variables on the dependent variable. The general form of the regression equation used is: $Y = \alpha + \beta1X1+\beta2X2+\beta3X3+\varepsilon$.
Where:

Y = Company value
X1 = Profitability
X2 = Asset growth
X3 = Profit growth
α = Constant
$\beta1,\beta2,\beta3$ = Regression coefficient
ε = Error

Finally, a hypothesis test was conducted to determine the significance of the model. The tests conducted were the partial T test (t-count > t-table) to determine the influence of each independent variable on the dependent variable, the simultaneous F test (F-count > F-table) to determine the influence of the independent variables together on the dependent variable and the determination coefficient test to determine how much the independent variables contribute in explaining the variation of the dependent variable.

4. Results and Discussion

With descriptive statistics, we can see how many observations there are for each study variable, as well as their mean and standard deviation.

Table 2. Descriptive Statistical Test.

Descriptive Statistics

	N	Mean	Standard Deviation
Profitability	36	,1011	,04374
Asset Growth	36	,1911	,05666
Profit Growth	36	,0814	,06216
Company Values	36	,3981	,12014
Valid N (listwise)	36		

Based on the results of descriptive statistical testing in table 2, it can be seen that 36 data were observed. Profitability (X1) has an average value of 0.1011 with a standard deviation of 0.04374, asset growth (X2) has an average value of 0.1911 and a standard deviation of 0.05666, profit growth (X3) shows an average value of 0.0814 and a standard deviation of 0.06216, and company value (Y) has an average of 0.3981 and a standard deviation of 0.12014.

Classical Assumption Test Results

Normality Test

Normality test is conducted to determine whether the data used in the study is normally distributed or not. If the Asymp. Sig. (2-tailed) value > 0.05, it means that the residual data is normally distributed.

Table 3. Results of the Kolmogorov Smirnov Test.

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		36
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	,08588941
Most Extreme Differences	Absolute	,097
	Positive	,097
	Negative	-,079
Test Statistic		,097
Asymp. Sig. (2-tailed)		,200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

According to the test results shown in Table 4, the Asymp. Sig. residual value is higher than the 0.05 significance level, which is 0.200, indicating that the data is normally distributed.

Heteroscedasticity Test

Finding out whether the residual variance of a regression model changes from one observation to another is the essence of the heteroscedasticity test.

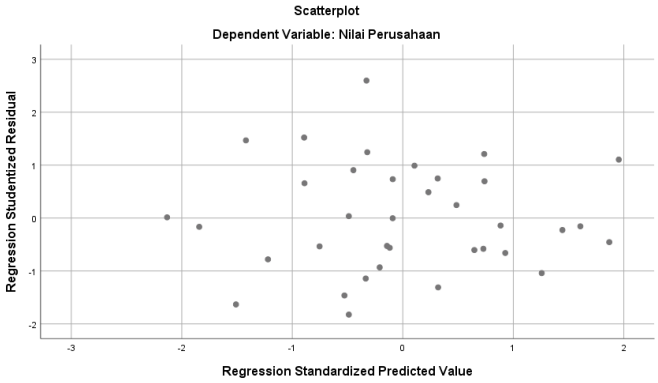

Figure 1. Scatter plot.

The scatterplot results show that the residual points are randomly distributed, do not form a clear pattern, and are located around the zero axis both above and below it. This random distribution indicates that the regression model does not experience heteroscedasticity.

Auto Correlation Test

To identify the presence of patterns in the residuals of the regression model, autocorrelation testing was carried out using runs tests.

Table 4. Autocorrelation Test Results.

Runs Test

	Unstandardized Residual
Test Value[a]	-1.26848
Cases < Test Value	18
Cases >= Test Value	18
Total Cases	36
Number of Runs	24
Z	1.522
Asymp. Sig. (2-tailed)	.128

a. Median

If the significance value is greater than 0.05, it means that the residuals are randomly distributed and there is no autocorrelation in the model. Based on the results of the SPSS analysis, the Asymp. Sig. (2-tailed) value is 0.128, which exceeds the significance limit of 0.05. This finding indicates that the residuals are randomly distributed and do not show a specific pattern. Thus, the assumption of residual independence has been met, so the regression model can be declared free from autocorrelation problems.

Multicollinearity Test

To determine whether the independent variables are highly correlated, a multicollinearity test is used, taking into account the tolerance value and variance inflation factor (VIF) value.

Table 5. Multicollinearity Test Results

Coefficientsa								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	,151	,067		2,236	,032		
	Profitability	1,053	,382	,383	2,757	,010	,826	1,211
	Asset Growth	,148	,283	,070	,524	,604	,896	1,116
	Profit Growth	1,384	,259	,716	5,353	,000	,893	1,120

a. Dependent Variable: Company Value

To ensure that the research findings are not influenced by the high level of correlation between the independent variables in the regression model, a multicollinearity test was run. VIF and Tolerance values were used to evaluate this test. Assuming a VIF <10 and a Tolerance value >0.10, a variable is said to pass the multicollinearity test. Based on the results of the multicollinearity test, all independent variables meet the requirements of the multicollinearity test, namely a tolerance value greater than 0.10 and a VIF less than 10. Since the regression model does not show any multicollinearity, all independent variables can be further analyzed.

Research Hypothesis Test Results

Partial Test (T-Test)

The T test is used to test the influence of each independent variable on the dependent variable independently.

Table 6. Partial Test Results (T-Test).

Coefficientsa						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	,151	,067		2,236	,032
	Profitability	1,053	,382	,383	2,757	,010
	Asset Growth	,148	,283	,070	,524	,604
	Profit Growth	1,384	,259	,716	5,353	,000

a. Dependent Variable: Company Value

The first hypothesis test shows that the significance value of profitability (X1) is less than 0.05 (0.010 < 0.05) with a calculated t-value greater than the t-table (2.757 > 1.693). Thus, the first hypothesis is accepted, and profitability is stated to have a positive and significant effect on company value. In the results of the second hypothesis test, asset growth (X2) shows a significance value of 0.604 which is greater than 0.05 with a calculated t-value smaller than the t-table (0.524 < 1.693). This means that asset growth does not have a significant effect on company value, so the second hypothesis stating that asset growth has an effect on company value is rejected. Then in the results of the third hypothesis test, profit growth (X3) shows a significance value of 0.000 < 0.05 with a calculated t-value greater than the t-table (5.353 > 1.693), meaning that profit growth has a positive and significant effect on company value.

Simultaneous Test (F Test)

When looking for evidence that two or more independent variables significantly influence each other at the same time, statisticians use the F test, often called the test of simultaneity.

Table 7. Simultaneous Test Results (F Test).

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	,247	3	,082	10,203	,000 b
	Residual	,258	32	,008		
	Total	,505	35			

a. Dependent Variable: Company Value

b. Predictors: (Constant), Profit Growth, Asset Growth, Profitability

Based on the results of the simultaneous test in table 8, it can be seen that the calculated F value of 10.203 is greater than the F table of 2.901 and the significance level of 0.000 is less than 0.05, so it can be concluded that profitability, asset growth and profit growth have a significant positive effect simultaneously on company value.

Multiple Linear Regression Test Results

Researchers use multiple linear regression to determine the number of independent variables that influence a dependent variable. To describe the relationship between model variables, a linear equation is used. In this case, each independent variable is assumed to have an impact on changes in the dependent variable.

Table 8. Multiple Regression Test Results.

Coefficientsa

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	,151	,067		2,236	,032
	Profitability	1,053	,382	,383	2,757	,010
	Asset Growth	,148	,283	,070	,524	,604
	Profit Growth	1,384	,259	,716	5,353	,000

a. Dependent Variable: Company Value

Based on the results of the data processing carried out, the following is the regression equation obtained:

Y = 0.151 + 1.053X1+ 1.384X3.

The constant value shows a figure of 0.151. The coefficient value for the profitability variable (X1) is 1.053, which means that if X1 increases by one unit, the company's value will increase by 1.053. The coefficient value for the profit growth variable (X3) is 1.384, which means that if X3 increases by one unit, the company's value will increase by 1.384.

Coefficient of Determination Test

The table below displays the test findings, including the coefficient of determination (R Square) value, which indicates the extent to which the independent variables explain the dependent variable.

Table 9. Results of the Determination Coefficient Test.

Model Summary

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate	Durbin-Watson
1	,699a	,489	,441	,08983	2,255

a. Predictors: (Constant), Profit Growth, Asset Growth, Profitability

b. Dependent Variable: Company Value

Based on the results in the table above, the R Square value is 0.489, indicating that 48.9% of the variation in Company Value is explained by Profitability, Asset Growth, and Profit Growth, while 51.1% is influenced by other factors outside the model. Referring to the criteria proposed by(Chin, 1998), R^2 values ranging from 0.33 to 0.67 are considered moderate. Therefore, the R^2 value of 0.489 in this study indicates that the model has a moderate level of explanatory power.

The Influence of Profitability on Company Value

Based on the results of partial hypothesis testing using the t-test in this study, it is known that profitability has a positive and significant effect on company value. This is indicated by the calculated t-value of 2.757, which exceeds the t-table of 1.693, and a significance value of 0.010, which is smaller than the 0.05 level of significance. These findings indicate that the higher a company's profitability, the greater the level of investor confidence in the company's performance and future prospects. In the context of signaling theory, profitability reflects the effectiveness of management in managing company resources and serves as a positive signal that can improve market perception. These results are in line with findings from(Arifin & Triyonowati, 2023)which also found a significant influence of profitability on company value. With this hypothesis (H1) is accepted, which states that profitability has an effect on company value.

The Effect of Asset Growth on Company Value

Based on the results of the regression analysis, the asset growth variable shows that asset growth has no effect on company value. This can be seen from the calculated t-value which is smaller than the t-table (0.524 < 1.693) and a significance value of 0.604, which exceeds the significance limit of 0.05. This finding indicates that increasing company assets has not been able to provide a significant impact on investor perceptions of company value in technology sector companies. This insignificance may be caused by asset increases that have not been optimally utilized or have not resulted in better financial performance in the short term. Furthermore, in the technology industry, there are other factors that are more dominant in influencing company value. Investors tend to pay more attention to performance indicators such as profitability levels, profit growth, product innovation, management competence, funding structures, and industry development prospects. Conversely, increasing assets that are not optimally utilized risks increasing operational costs and does not contribute significantly to increasing company value. The results of this study are consistent with the findings of the study.(Yudistira et al., 2021)which also concluded that asset growth did not have a significant effect on company value.

The Effect of Profit Growth on Company Value

Partial hypothesis testing shows that profit growth has a positive and significant effect on firm value. This is indicated by the calculated t-value being greater than the t-table value (5.353 > 1.693), with a significance level of 0.000, which is well below the 0.05 threshold. This study indicates that investors are more optimistic about a company's future profitability and value creation potential when profits increase year after year. In the context of signaling theory, profit growth can be interpreted as an indicator of management's success in running the company's operations efficiently and effectively. The results of this study are also consistent with the findings of(Olivia Havila Hermanto, 2021), which states that profit growth has a positive relationship with company value.

The influence of profitability, asset growth and profit growth on company value

Based on the results of the simultaneous test (F test), it is known that the three independent variables, namely profitability, asset growth, and profit growth, together have a positive and significant effect on company value. This is indicated by the calculated F value of 10.203 and the F table of 2.901 where (calculated F > F table) with a significance level of 0.000 which is below the significance limit of 0.05. In addition, the coefficient of determination (R Square) value of 0.489 indicates that 48.9% of the variation in company value can be explained by the three variables in the model, while the remaining 51.1% is influenced by other factors not included in this study or outside the research. This finding confirms that fundamental aspects, especially profitability and profit growth, have a significant contribution in influencing market perceptions of company value, especially in the technology sector in the post-pandemic period, where investors tend to be more selective in evaluating a company's long-term prospects.

5. Conclusion

This study examined the effect of profitability, asset growth, and profit growth on company value in the technology sector listed on the Indonesia Stock Exchange from 2021 to 2024. Nine companies were sampled. The analysis showed that profitability and profit growth had a positive and significant impact on company value. Meanwhile, asset growth did not show a significant impact. Together, these three variables significantly explained changes in company value. These findings support agency theory and signaling theory, which highlight the crucial role of financial performance in shaping investor perceptions of a company's value. However, this study still has limitations, including the small sample size and limited scope of variables. Therefore, further research is recommended to expand the sample size and include other factors to obtain a more comprehensive picture.

Reference

Adimaja, M. (2024, November 20). *QRIS users to increase to 54 million by October 2024*. CNN Indonesia. https://www.cnnindonesia.com/ekonomi/20241120174948-78-1168824/pengguna-qris-naik-jadi-54-juta-per-oktober-2024?utm_source=chatgpt.com

Agustina, L. P. (2019). Analysis of the influence of company growth, company size, good corporate governance, funding decisions, and investment decisions (empirical study on banking companies listed on the Indonesia Stock Exchange in 2014-2018).

Arifin, M. I., & Triyonowati, T. (2023). The influence of intellectual capital, profitability and sales growth on the value of plantation subsector companies on the IDX. *Jurnal Ilmu dan Riset Manajemen, 12*.

Chin, W. W. (1998). The partial least squares approach to structural equation modeling. In G. A. Marcoulides (Ed.), *Modern methods for business research* (pp. 295–358). Lawrence Erlbaum Associates.

Fifta Putra, H. (n.d.). *First experience of using QRIS in Thailand*. Bank Indonesia. https://www.bi.go.id/id/publikasi/ruang-media/cerita-bi/Pages/pakai-qris-di-thailand.aspx

Hergianti, A. N., & Retnani, E. R. (2020). The effect of company growth, profitability and leverage on company value. *Jurnal Ilmu dan Riset Akuntansi, 9*(2), 1–20.

Hermanto, T. O. H. (2021). The effect of sales growth, profit growth, and liquidity on cosmetics and household needs companies listed on the Indonesia Stock Exchange. *Jurnal Ilmu dan Riset Manajemen.*

Hidayat, I., & Khotimah, K. (2022). The effect of profitability and company size on company value in the chemical sub-sector. *Jurnal Ilmu Akuntansi Kesatuan, 10*(1), 1–8. https://doi.org/10.37641/jiakes.v10i1.1175

Kompas.com. (n.d.). *Sritex officially closes, how did the problem start?*. Kompas.com. https://video.kompas.com/watch/1829260/sritex-resmi-tutup-bagaimana-awal-mula-masalahnya

Kurniawan, K., Bangun, N., Wijaya, H., & Rahardjo, T. (2019). The effect of company size, capital structure, and company growth on company value. *Statera Jurnal Akuntansi dan Keuangan, 1*(1), 1–15. https://doi.org/10.33510/statera.2019.1.1.1-15

Mufidah, M., Febrianti, I., & Adisetiawan, R. (2024). The effect of cash ratio and profit growth on company value with company size as a moderating variable. *Jurnal Ilmiah Universitas Batanghari Jambi, 24*(1), 871. https://doi.org/10.33087/jiubj.v24i1.5058

Purnama Sari, P. (n.d.). *Who created QRIS? Here's its history and launch year.* Metro TV. https://www.metrotvnews.com/read/kqYCYzqv-qris-diciptakan-oleh-siapa-ini-sejarah-dan-tahun-peluncurannya?utm_source=chatgpt.com

Rizqia Muharramah, M. Z. H. (2022). The influence of company size, leverage, and profitability on company value. *Jurnal Akuntansi Aktual, Finance dan Bisnis Terapan, 5*(1), 94. https://doi.org/10.32493/eaj.v5i1.y2022.p60-71

Rohman, M. H., Rodhiyah, M., Dedyansyah, A. F., & Dahlan, A. (2024). The effect of profitability, leverage, and profit growth on company value (study of retail companies 2021-2023). *Jurnal ...*, 18(1), 1268–1277.

Saharuddin, R. (2019). Analysis of the influence of good corporate governance, debt policy, profitability, company size and company growth on company value.

Sanjaya, Y. C. A. (2025, January 8). *Bukalapak reveals reasons for stopping selling physical products starting January 2025*. Kompas.com. https://amp.kompas.com/tren/read/2025/01/08/140000765/bukalapak-ungkap-alasan-berhenti-jual-produk-fisik-mulai-januari-2025?utm_source=chatgpt.com

Sri Ayem, E. N. (2021). Factors influencing profit persistence of manufacturing companies listed on the IDX. *Jurnal Paradigma Akuntansi, 3*(1), 322. https://doi.org/10.24912/jpa.v3i1.11577

Suhartono, S., Susilowati, D., & Astutih, A. (2022). The influence of good corporate governance, dividend policy, ROA and company profit growth on company value. *Jurnal Geoeconomics, 13*(2), 138–154. https://doi.org/10.36277/geoekonomi.v13i2.224

Syarah, N. S., & Prasetyo, H. (2023). The effect of company size, profitability, asset growth, sales growth, and debt to equity ratio on company value. *Jack Journal of Accounting Knowledge, 1*(1), 22–35.

Triyani, W., Mahmudi, B., & Rosyid, A. (2018). The effect of asset growth on company value with profitability as an intervening variable (empirical study of mining sector companies listed on the Indonesia Stock Exchange for the period 2007–2016). *Tirtayasa Ekonomi, 13*(1), 107. https://doi.org/10.35448/jte.v13i1.4213

Tunisa, Z. S., & Jayanti, E. (2022). The effect of return on assets (ROA) and sales growth. (pp. 237–247).

Wahasusmiah, R., & Arshinta, F. A. B. (2022). The effect of company size, investment opportunity set, and corporate governance on company value with financial performance as an intervening variable in LQ45 companies. *Mbia, 21*(1), 1–17. https://doi.org/10.33557/mbia.v21i1.1681

Wibowo, W., & Ardiansyah, A. (2023). The effect of leverage, sales growth, profitability, and firm size companies on manufacturing company value for the period 2018-2020. *Jurnal Paradigma Akuntansi, 5*(4), 2014–2022. https://doi.org/10.24912/jpa.v5i4.26658

Yudistira, I. G. Y., Mendra, N., & Saitri, P. W. (2021). The effect of asset growth, profitability, institutional ownership, and dividend policy on firm value. *Karya Ilmiah Riset Mahasiswa Akuntansi, 1*(1), 239–249.