



Analysis of Differences in Financial Performance of PT Krakatau Steel Tbk Before and After Restructuring

Napa Lestari^(✉), Alda Wiliyana Tania, Andini Ulhaq, and Nur Alim Bahri

Department of Accountancy, Universitas Nusa Putra, Sukabumi, Indonesia
{napa.lestari_ak19, alda.wiliyana_ak19, andini.Ulhaq_ak19, nuralim.bahri}@nusaputra.ac.id

Abstract. This study aims to determine differences in the financial performance of PT Krakatau Steel Tbk before and after restructuring. This type of research used is comparative quantitative. The population of this study are companies from the metal industry sub-sector and the like which are listed on the Indonesia Stock Exchange. The research sample consisted of 1 company selected through a purposive sampling technique. The type of data used is secondary data in the form of financial reports and articles on the internet. The variables used to measure differences in financial performance are Debt to Equity Ratio, Return on Equity, Price Earning Ratio, Sales Growth, and Total Asset Turnover. The data analysis technique used is the Paired Sample Test. The results showed that there is a significant difference in the Total Asset Turnover variable, but there is no significant difference in the Debt to Equity Ratio, Return on Equity, Price Earning Ratio, and Sales Growth variables.

Keywords: Restructurisation · Debt to Equity Ratio · Return on Equity · Price Earning Ratio · Sales Growth · Total Asset Turnover · Financial performance

1 Introduction

PT Krakatau Steel is a company registered as a State-Owned Enterprise (SOE), which is a business entity in which the state owns most of its capital. PT Krakatau Steel Tbk, which is engaged in the steel industry, aims to become a business that produces high-quality and professional assessments. And PT Krakatau Steel Tbk hopes that the company can continue to generate profits without any losses, but it cannot be denied that company has experienced successive losses.

Based on Fig. 1, in 2011 PT Krakatau Steel Tbk experienced a profit of USD 151,337 thousand. Furthermore, from 2012 to 2019 the company experienced losses and the highest losses occurred in 2019 with a net loss of USD 505,390 thousand. The reason for 2019 being the highest loss was because the company's steel product segment recorded a gross loss of USD 92.44 million compared to the previous year which earned a gross profit of USD 80.67 million. Then in 2020 it increased again by USD 22,635 thousand.

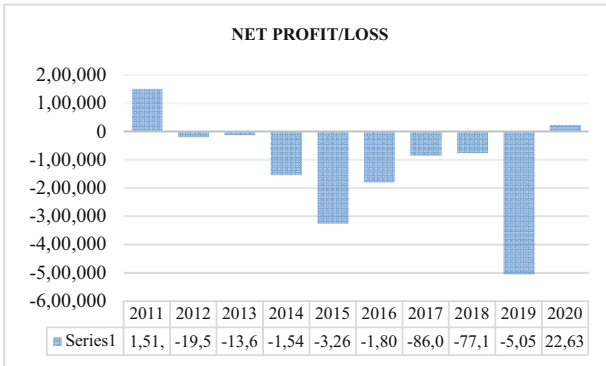


Fig. 1. Net Profit/Loss of PT Krakatau Steel Tbk 2011–2020. *Source:* Processed data, IDX [1].

Several causes of losses stem from high labor costs but low productivity, which results in high product selling prices. Over the last 10 years, infrastructure development is in full swing and of course companies are looking for cheaper metal raw materials. Therefore, many of the companies that are building infrastructure use imported metals from China and Vietnam, which are cheaper [2].

Due to these losses, KRAS launched a debt restructuring on December 20, 2018, and all interested creditors formally authorized it on January 12, 2020. It is envisaged that this restructure will enhance KRAS’ financial performance. Financial performance measures how effectively and correctly a company’s financial position applies financial regulations. If a corporation has strong financial results, it has profited while adhering to the right financial structure [3].

Analyzing the financial statements allows one to evaluate a company’s financial performance. This is consistent with signal theory, which states that management would give orders or signals to outside parties as an internal party. As theory signals, financial conditions, business prospects, and managerial effectiveness are used. Giving this signal is done to prevent information asymmetry and because outsiders of the company are unaware of current situations within the company [4].

Financial statement analysis is a technique of comparing numbers by dividing the numbers one by one. This analysis is also known as ratio analysis, which divides one number and the other numbers that are connected to each other. The examples of financial ratios are Debt to Equity Ratio (DER), Return on Equity (ROE), Price Earning Ratio (PER), Sales Growth, and Total Asset Turnover (TATO) [3].

Indah & Sari [5] and Riani & Nugraha [6] claim that there are differences in financial performance before and after the restructuring. Analysis of financial performance before and after restructuring has been extensively examined. But this research differs from that of Adrianus & Johan [7] and Rudiana and Venusita [8], who similarly came to the conclusion that there had been no appreciable improvement in financial performance.

The four studies that looked at how financial performance varied before and after restructuring each produced unique findings. The disparities between these studies' findings demonstrate the existence of discrepancies in the research's findings. This eventually became one of the factors that led researchers to study the variations in financial performance between restructuring and non-restructuring.

Research on the restructuring of PT Krakatau Steel has previously been carried out under the title "Analysis of Net Profit Margin, Current Ratio and Company Restructuring of PT. Krakatau Steel" [9]. In this study, a qualitative approach is combined with a descriptive methodology. The writers use documentation as their method of data collection.

Meanwhile on this study uses secondary data in the form of financial reports and other information related to research. Data collection techniques are carried out using documentation, namely collecting data from various sources. Sources of research data are the official website of the Indonesia Stock Exchange (IDX), the official website of each company, and articles on the internet related to research [10]. The ratio used in this study is also different, namely using five ratios including; Debt to Equity Ratio, Return on Equity Ratio, Price Earning Ratio, Sales Growth, and Total Asset Turnover.

In this study the object used was PT Krakatau Steel Tbk which was listed on the Indonesia Stock Exchange (IDX) in 2016–2021. The research period was chosen with the consideration of 3 years before restructuring, namely 2016–2018, and 3 years after restructuring, namely 2019–2021. Based on the description above, the researcher decided to take the title "Analysis of Differences in PT Krakatau Steel Tbk's Financial Performance Before and After Restructuring".

Formulation of the Problem In facilitating this research, the researcher describes this research into several statements, namely as follows:

1. Is there any difference DER significant before and after restructuring?
2. Is there any difference ROE significant before and after restructuring?
3. Is there any difference PER significant before and after restructuring?
4. Is there a significant difference in Sales Growth before and after restructuring?
5. Is there a significant difference in TATO before and after restructuring?

2 Literature Review

2.1 Signaling Theory

According to the signal theory developed by Spencer (1973), a signal is sent by the sender to the recipient in order to transmit absolutely necessary relevant information. Due to the facts, notes, or descriptions of past, present, or future situations relating to the company's business prospects and their effects that are contained in this material, it is crucial for investors or other business people. The underlying premise of signal theory is that internal management of the organization has access to more accurate information than the general public. This will lead to an information gap between the people involved [11].

2.2 Financial Restructuring

Restructuring is a decision to take steps to rearrange the company's financial composition in order to restore health or maximize the company's financial condition. The health of the company is very important because it affects the sustainability of the company and how the company fulfills all obligations and expectations of stakeholders. Company's health can be measured through ratios that measure financial health, such as solvency, profitability and growth ratios. Then restructuring can be done in various ways such as rescheduling interest and loan tenors, converting debt into shares (debt to equity swap), and selling shares to the public [12].

2.3 Debt to Equity Ratio

Debt to Equity Ratio (DER) can be used to assess how well the business is performing in terms of meeting its obligations. The DER ratio demonstrates a company's capacity to cover or settle debts using capital or equity [13]. If the ratio value is low or small, it may mean that the business can still pay its creditors. According to Lukviarman (2006) in Pramono [14], a good DER has a value $< 100\%$. If DER has a value according to this standard then the company can be said to be good. This is based on the calculation that the amount of debt should not exceed own capital.

2.4 Return on Equity

The ratio used to compare net profit after tax with equity is called return on equity (ROE). This ratio can be used to gauge a company's ability to produce earnings that are available to shareholders. If ROE ratio shows high results means showing positive results for the company [15]. The amount of the company's debt has an impact on this ratio. The value of the ratio will be even higher if the company has a high percentage of debt. According to Lukviarman (2006) in Pramono [14], a good ROE value is around $> 20\text{--}40\%$. If the ROE value is in accordance with this standard, then the company can be said to have a good ROE.

2.5 Price Earning Ratio

A measure known as the Price Earning Ratio (PER) compares the share price per share to the earnings per share (EPS). The share price in this ratio is an indicator of the company's value related to the company's performance in the eyes of the market [16]. By contrasting the stock price with the net profit made over the course of the year, this ratio is used. Investors can determine whether or whether the company's share price is considered reasonable or not (really) based on the current circumstances, not based on future forecasts, using the PER value. Investor trust in the company's future prospects increases as PER increases. The ideal PER value ranges from 20–25 times income. However, this value still has to be adjusted to the business sector concerned. The PER value can be determined by comparing it with the PER of other shares [17].

2.6 Sales Growth

Sales Growth is an indicator that shows the level of sales during the year. If demand increases, sales volume will also increase, so production capacity also needs to be increased [18]. Therefore the increase in this ratio explains the increase in profits that can help management to maximize results. Earnings management is carried out so that the company gets maximum profits and can benefit all stakeholders. According to Lukviarman in Pramono [14], a good Sales Growth value is if sales increase > historical. If it exceeds this standard, it can be said that the company is in good condition.

2.7 Total Asset Turnover

Total Asset Turnover (TATO) is a ratio used to assess a business's capacity to turn its assets into revenue. The TATO ratio might indicate the company's operational activity, such as sales, purchases, or other activities, because it is based on assets. Generally speaking, if this ratio is low, the business is less effective in turning a profit from its assets. According to Lukviarman (2006) in Pramono [14], a good TATO value is if > 0.5 times. If it exceeds this standard then the company can be said to have a good TATO.

2.8 Financial Performance

A summary of a company's financial results for a given time frame. A tool called financial ratio analysis can be used to assess the value and position of a company's financial performance during a given time period. By examining their financial performance, businesses can look back on the past and project future financial conditions [19].

2.9 Hypothesis Development

2.9.1 Debt to Equity Ratio Before and After Restructuring

Debt to Equity Ratio (DER) is a ratio that gauges a company's solvency, or its capacity to pay its debts. This is in line with the signal theory, according to which investors will interpret the news of a restructure as a signal. Investors can decide to invest if this signal is deemed to be a positive signal because they do not want to suffer losses from businesses with weak solvency. The company's financial situation will change with the addition of investment.

Research by Sari [20] demonstrated significant disparities in DER. This, however, goes against As'ari's research [19], which claimed that there was no discernible difference between before and after restructuring.

H_1 : There is a significant difference in the Debt to Equity Ratio before and after the restructuring.

2.9.2 Return on Equity Before and After Restructuring

One of the profitability statistics that contrasted earnings after tax with equity was return on equity (ROE). According to Dewi [21], reorganization has a favorable impact on changes in stock returns. This is consistent with signal theory, according to which investors interpret announcements of restructuring as signals containing crucial information about the financial health of the company. If investors interpret this signal favorably, it will result in adjustments to the company's financial statements.

There were notable disparities in ROE before and after the restructure, according to Pratama [22]. This runs counter to the study by Sihaloho [23], which claims that there is no discernible difference in ROE between undergoing restructuring and before.

H₂: There is a significant difference in Return on Equity before and after restructuring.

2.9.3 Price Earning Ratio Before and After Restructuring

The Price Earning Ratio (PER) is a ratio that determines a share's fair value. Because investors can use this ratio to forecast the timeline for stock returns if the shares are purchased, it serves as a gauge of market confidence in the company's growth potential [24]. This is corroborated by Dewi [21], which concludes that restructuring significantly affects stock returns. The signal hypothesis thus states that if restructuring is thought to be a smart option, it can assist boost the company's market value and draw in many investors. The PER ratio itself will then alter after that.

According to Yulazri [25], there was a change in stock returns following the restructuring. Rudiana and Venusita [8], however, revealed that there was no discernible difference between PER prior to and following the restructuring.

H₃: There is a significant difference in Price Earning Ratio before and after restructuring.

2.9.4 Sales Growth Before and After Restructuring

The ratio used to determine sales growth is called Sales Growth. This ratio demonstrates how well the business has performed in growing sales as compared to total sales overall. The increase in sales shows that the company was able to increase its productivity to sell products in comparison to the prior year [26]. Increasing revenue is one of the restructuring's goals. Yegon et al., [27] explains that restructuring has a favorable impact on financial performance in terms of boosting income and growth, which lends credibility to this claim. According to signal theory, when a restructuring is announced, investors or other business owners take it as a positive sign. This signal indicates that reorganization may offer opportunities for a better company.

According to research by Ekayanti and Poerwokoesoemo [28], there was a sizable change in income following the restructuring. Contrary to Permadi [29], which found no appreciable difference in sales growth between before and after the restructuring.

H₄: There is a significant difference in Sales Growth before and after restructuring.

2.9.5 Total Asset Turnover Before and After Restructuring

Total Asset Turnover (TATO) is one of the activity ratios that compares sales to total assets and assesses how efficiently a company generates sales by utilizing its assets. The existence of debt restructuring has an impact on changes in the value of asset turnover. This is because the size of the value of a company's debt affects its sales. In a state of debt, the company is aware of the risk of its debt so it will try to use debt effectively by increasing sales [30]. Then related to signal theory, through announcements of restructuring, other business parties consider this as important information and assist them in determining their preferences. If this information is considered good information, it means that this restructuring is considered a decision that can provide prospects for better and attractive company performance for other business parties, so that it can help increase sales as well as asset turnover.

According to research by Bahri [31] and Naomi [32], there were notable variations in TATO before and after the restructuring.

H₅: There is a significant difference in Total Asset Turnover before and after restructuring.

2.10 Thinking Framework

3 Research Method

See Fig. 2

3.1 Types of Research

The type of research used is comparative research with quantitative techniques. Comparative research is a way of comparing one or more variables in two or more different samples. Then quantitative techniques are research involving numbers starting from data collection, to the completion of data processing [10].

3.2 Population and Research Sample

All the companies in the metal and related industry sub-sectors that are listed on the Indonesia Stock Exchange are this study's population. Purposive sampling, a non-probability sampling method, was then used to conduct the sampling. The sample chosen was a state-owned company that was restructuring and had financial reports from 2016–2021 which had been declared audited until finally 1 company was found that met the criteria to be used as a research object, namely PT Krakatau Steel Tbk.

3.3 Data Collection Techniques

Secondary data in the form of financial reports and other research-related information are used in this study. Documentation is used in data collection strategies, which involve gathering information from multiple sources. The official websites of each company, the Indonesia Stock Exchange (IDX), and research-related articles on the internet are sources of research data [10].

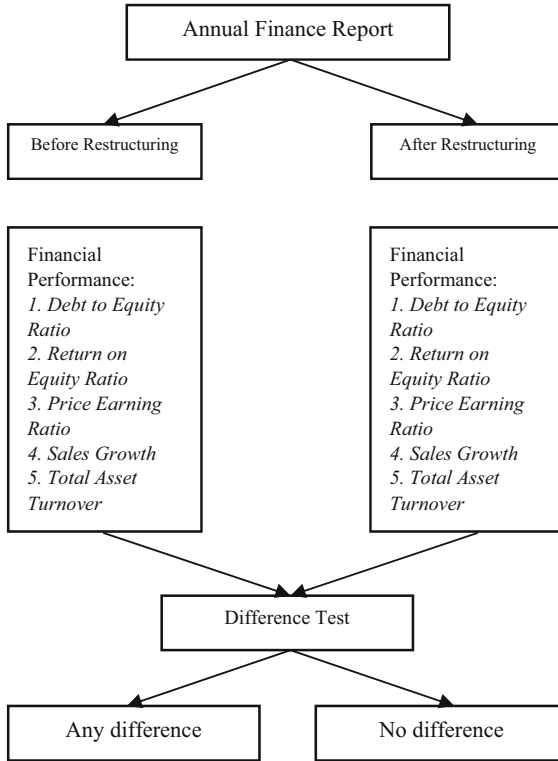


Fig. 2. Framework of thinking

3.4 Research Variables

Variable dependent in this study is Financial Performance (Y). Then the independent variables or are Debt to Equity Ratio (X_1), Return on Equity Ratio (X_2), Price Earning Ratio (X_3), Sales Growth (X_4), and Total Asset Turnover (X_5).

3.5 Operational Definitions

The operational definition of each research variable is as follows:

3.5.1 Debt to Equity Ratio (DER)

The ratio used to compare all debt and all equity is called the debt to equity ratio (DER). This ratio is one of liquidity ratios that can be used to determine how much of one’s own capital is pledged as security for debt [33]. The higher the value, the more unprofitable it is for creditors because it denotes a higher risk of failure, and vice versa [34].

3.5.2 Return on Equity (ROE)

When starting capital is compared to net profit after taxes, this is known as the return on equity (ROE) ratio. This ratio demonstrates the effective use of own capital, so the

higher the number, the better as it denotes that the position of the business owner is strengthening. [26].

3.5.3 Price Earning Ratio (PER)

A measure called the Price Earning Ratio (PER) contrasts share prices with earnings per share for stocks. This ratio is one that is frequently utilized in investing decision-making. Investors are typically more interested in low PER's because they represent a better rate of return because the stock price is relatively lower than the earnings per share, which is what causes the low value [35].

3.5.4 Sales Growth

Sales growth is a ratio that shows the company's position in the industry and the economy. This ratio compares current and previous sales conditions. This ratio assists the company in evaluating sales for forecasting future sales growth. The higher the value, the more stable and far from financial difficulties [36].

3.5.5 Total Asset Turnover (TATO)

Total Asset Turnover (TATO), also known as asset turnover ratio. The activity ratio, which describes how much the company uses its resources to support its activities, includes this ratio. The better the company performs in using its assets to generate sales, the higher this ratio's value [37].

In this study using several formulas to facilitate research, namely:

3.6 Data Analysis Techniques

The data analysis technique used in this study is the normality test and the different test, namely:

3.6.1 Normality Test

Test Normality is a test used to find out whether the distribution of data in a group is normally distributed or not. There are 2 types of normality tests, namely the Kolmogorov-Smirnov for a sample of > 50 , and the Shapiro-Wilk for < 50 . A data can be said to be normal if it has a P value (Sig.) > 0.05 [38].

3.6.2 Difference Test

The different tests are divided into 2 types, namely the Paired Sample Test and the Wilcoxon Signed Rank Test. The Paired Sample Test is a test to find out differences from paired data that has a normal distribution. Meanwhile, the Wilcoxon Signed Rank Test is a different test for paired data that has abnormal data distribution [38].

Table 1. Ratio Formula

No.	Rasio	Formula
1	Debt to Equity Ratio	Total liability Total equity
2	Return on Equity	Net profit after tax Total equity
3	Price Earning Ratio	Market value per share Earning per share
4	Sales Growth	This year's total sales Previous year's total sales
5	Total Asset Turnover	Sales Total assets

source: processed data

4 Results and Discussion

4.1 Normality Test

The following are the results of the normality test of the four variables (Table 1):

Because there are fewer than 50 samples, the Shapiro Wilk test is utilized as the normality test. According to Table 2, prior to restructuring, the DER variable's significance value was 0.061, and it was 0.445 after restructuring. Before restructuring, the ROE variable's significance value was 0.637, after restructuring, it was 0.075. Prior to restructuring, the PER variable was 0.790, and it was 0.944 after restructuring. Before restructuring, the Sales Growth variable had a value of 0.637 and a value of 0.302 after restructuring. The TATO variable then displays a value of 0.114 prior to restructuring and 0.407 after to restructuring. The significance value for the five variables is more than 0.05. This suggests that the data for all variables is regularly distributed.. Therefore, the next test used is the difference test for normally distributed data.

4.2 Difference Test

4.2.1 Paired Samples Statistics Test

Based on Table 3 descriptive statistics, the number of each sample both before and after restructuring was 3. The average DER before restructuring was 1.9033 which was smaller than the period after restructuring which was 7.1567. The average ROE before the restructuring was -0.1167 where this value was greater than the period after the restructuring which was -0.4300 . The average PER before the restructuring was -5.4867 which was lower than the post-restructuring period which was 12.0567. The average Sales Growth before the restructuring was 0.1000 which is smaller than the period after the restructuring which was 0.1200. Then the average TATO before the restructuring was 0.3933 where this value was smaller than the period after the restructuring which was 0.4633.

Table 2. Normality Test Results

Tests of Normality						
	Kolmogorov-Smirnov			Shapiro-Wilk		
	c	Df	Sig.	c	df	Sig.
DER Before Restructuring	0,374	3		0,777	3	0,061
DER After Restructuring	0,296	3		0,918	3	0,445
ROE Before Restructuring	0,253	3		0,964	3	0,637
ROE After Restructuring	0,371	3		0,783	3	0,075
PER Before Restructuring	0,217	3		0,988	3	0,790
PER After Restructuring	0,180	3		0,999	3	0,944
Sales Growth Before Restructuring	0,253	3		0,964	3	0,637
Sales Growth After Restructuring	0,327	3		0,872	3	0,302
TATO Before Restructuring	0,364	3		0,800	3	0,114
TATO After Restructuring	0,304	3		0,907	3	0,407

source: processed data

4.2.2 Paired Samples Test

A ratio with a significance value of 0.05 indicates a significant difference because the significance value alpha is set at 0.05. In contrast, there is no significant difference if the significance value is greater than 0.05. The DER ratio has a significance value over 0.05, or 0.056, according to Table 4. This indicates that there was little change in the DER ratio between the restructure and prior. The ROE ratio has a significance value of 0.613, which is more than 0.05. This indicates that the ROE ratio is not significantly different. The PER ratio has a significance value of 0.166, which is greater than 0.05. This indicates that there was little change in the PER ratio between the restructure and prior. The Sales Growth Ratio has a significance level of 0.924, which is more than 0.05. This indicates that the Sales Growth ratio between before and after the restructuring did not significantly change. The TATO ratio thus has a significance value of 0.44, which is less than 0.05. It follows that there is a large difference between the TATO ratio before and after the restructuring.

Table 3. Results of Paired Samples Statistics

Paired Samples Statistics				
	Mean	N	Std. deviation	Std. Error Mean
DER Before Restructuring	1,9033	3	1,25349	0,72370
DER After Restructuring	7,1567	3	1,16899	0,67492
ROE Before Restructuring	-90,1167	3	0,07638	0,04410
ROE After Restructuring	-0,4300	3	0,89269	0,51540
PER Before Restructuring	-5,4867	3	2,15305	1,24307
PER After Restructuring	12,0567	3	13,13570	7,58390
Sales Growth Before Restructuring	0,1000	3	0,09165	0,05292
Sales Growth After Restructuring	0,1200	3	0,41219	0,23798
TATO Before Restructuring	0.3933	3	0,08386	0,04842
TATO After Restructuring	0,4633	3	0,09452	0,05457

source: processed data

4.3 Discussion

In this discussion, the results of hypothesis testing will be explained based on the values listed in the Paired Sample Test.

4.3.1 Variable Differences Debt to Equity Ratio Before and After Restructuring

The DER variable has a significance value of 0.056 which is a greater value than the alpha significance value of 0.05. This means that there was no significant change in the DER variable before and after the restructuring. Hence, the hypothesis H_1 rejected.

Related to the theory in this study, if restructuring information is considered as a positive signal then it can attract investors to determine their preferences. In accordance with signal theory, there was an increase in the equity side after the restructuring. However, the changes that occurred after 3 years of restructuring were not significant.

The findings of this study are consistent with those of As'ari [19], who found no appreciable change between DER before and after restructuring. The increase in value was evident in the study's results, but it was not statistically significant. This is as a result of the company's inability to pay its long-term debt obligations. Liabilities and

Table 4. Paired Samples Test Results

	Paired Differences					t	df	Sig. (2-tailed)
	mean	Stl. Deviation	Stl. Error Mean	95% Confie dence Interval of the				
				Lower	upper			
DER Before Restructuring – DER After Restructuring	–5,253	2,240	1,293	–10,817	0,311	–4,062	2	0,056
ROE Before Restructuring – ROE After Restructuring	0,313	0,913	0,527	–1,955	2,582	0,594	2	0,613
PER Before Restructuring – PER After Restructuring	–17,543	14,192	8,194	–52,799	17,712	–2,141	2	0,166
Sales Growth Before Restructuring – Sales Growth After	–0,020	0,322	0,186	–0,821	0,781	–0,107	2	0,924
TATO Before Restructuring – TATO After	0,070	0,026	0,015	–0,136	–0,004	–4,583	2	0,044

source: processed data

equity have both changed, but the changes in equity have not been enough to offset the company's liabilities, so the DER ratio has not significantly changed.

4.3.2 Differences in Return on Equity Variables Before and After Restructuring

The ROE variable has a significance value above the alpha significance value of 0.05, which is 0.613. This shows that there is no significant difference before and after the restructuring. Hence, the hypothesis H_2 rejected.

The restructuring announcement contains information that the company has taken important actions related to its financial condition. According to the signal theory, this action can make shareholders anticipate because restructuring information can also describe the company's prospects in the future. Shareholders certainly want a company that can generate high profitability for shareholders and this can be measured through the ROE ratio. However, the resulting ROE has not shown a significant difference after the restructuring. This could happen because there was no change either in terms of profit

or capital, which means that the restructuring announcement was not enough to attract investors to invest their capital.

This is directly related to the Sihaloho [23], finding that ROE did not significantly change before or after the restructuring. Because the elements that make up ROE have changed, the value of ROE before and after the restructuring differs. This change, however, fell short of the required level of significance. This is due to changes in profit that are not balanced with changes in own capital so that there are no significant changes in ROE.

4.3.3 Differences in the Variable Price Earning Ratio Before and After Restructuring

The PER variable produces a significance value of 0.166. This indicates that there is no significant difference before and after the restructuring because the significance value is greater than the alpha significance value of 0.05. Hence, the hypothesis H_3 rejected.

The PER ratio reveals the company's market value in the eyes of investors. The ratio's rising value suggests that the market has an upbeat outlook for the company's economic future. The company wants to improve its financial situation and, if possible, communicate to the market that it will be in better financial shape by undergoing reorganization. Despite the fact that the restructure was done, the PER number did not significantly change. Because stock prices determine the PER ratio, if the stock price stays the same, the PER ratio stays the same as well.

Research by Rudiana and Venusita [8] that likewise came to the conclusion that there was no significant change between the pre- and post-restructuring periods supports the findings of this study. The lack of a major variation is due to the fact that the share price, which determines the PER value, did not change significantly before and after the restructuring. Because the former's value has not changed, there has likewise been little change in the PER value.

4.3.4 Differences in Sales Growth Variables Before and After Restructuring

The Sales Growth variable has a significance value greater than the alpha significance value of 0.05, which is 0.924. This value indicates that there is no significant difference before and after restructuring. Hence, the hypothesis H_4 rejected.

Restructuring is a strategy to boost business revenue or sales. According to signaling theory, the purpose of restructuring information is to influence other business partners to see it favorably and as having the potential to raise a company's worth. Sales will increase along with the company's worth rising. As a result, compared to before the successful restructuring, the average Sales Growth has increased. However, despite the fact that there has been an increase, the growth for the three years following this restructure has not been sufficiently significant to meet the required level.

The findings of this study concur with those of Permadi [29], which found no appreciable change in sales growth between the periods before and after the restructuring. Despite the fact that sales have altered, these modifications are still insufficient to reach the significance level. In other words, the company's average sales growth during the

time following the restructuring did not differ significantly from that during the period prior to the restructuring. No discernible difference in sales growth results from this.

4.3.5 Differences in Total Asset Turnover Variables Before and After Restructuring

The TATO variable has a smaller significance value than the alpha value of 0.05, which is 0.044. This value indicates that there is a significant difference in the TATO variable before and after the restructuring. Hence, the hypothesis H_5 received.

Because the state of a company's debt influences how it manages its sales, debt restructuring has an effect on changes in asset turnover value. When a business restructures, it usually does so to boost sales in an effort to improve its financial situation after experiencing a loss-making financial situation. Because the company has made an effort to enhance its financial performance, other business parties take note of this restructuring information as a positive sign that the company will have promising future possibilities. As a result of effectively using its asset turnover, the business saw an increase in revenues. The TATO ratio, which has seen major modifications, demonstrates this.

The findings of this study corroborate those of our own studies by Bahri [31] and Naomi [32], both of which found significant variations between the pre- and post-restructuring periods. The more valuable TATO, the more effectively assets are used. The results demonstrate a substantial difference because the mean TATO value increased following the restructuring phase, indicating that the efficiency of asset usage also increased.

Conclusions and Recommendations

Hypothesis H_1 , H_2 , H_3 , and H_4 rejected. That is, the four variables before and after the restructuring did not have a significant difference because their significance values were > 0.05 , respectively 0.056, 0.613, 0.166, and 0.924. While the hypothesis H_5 accepted, which means that the variable Total Asset Turnover before and after restructuring has a significant difference because its significance value is < 0.05 , which is 0.044. In terms of advice the author may offer, it is advised that corporate management pay attention to the ratios of DER, ROE, PER, Sales Growth, and TATO in order to examine their evolution following restructuring. Then, for more research, it is advised to include additional variables, such as the current ratio and operating profit margin variables, to make the research results more different. It is also advised to lengthen the research time to make the variations in results more pronounced.

References

1. IDX, "Laporan Keuangan Tahunan 2011, 2013, 2014, 2015, 2016, 2017, 2018, 2019, dan 2020," *Bursa Efek Indonesia*, 2021. www.idx.co.id (accessed Jul. 03, 2022).
2. A. Sammy, "PT Krakatau Steel's Exit Strategy: From Crisis to Profit," 2020.
3. M. O. Tanor, H. Sabijono, and S. K. Walandouw, "Analisis Laporan Keuangan Dalam Mengukur Kinerja Keuangan Pada," *J. Ekon. Dan Bisnis*, vol. 3, no. 3, pp. 639–649, 2015.

4. K. Sunardi, T. Cornelius, and M. D. Kumala, "Pengaruh Arus Kas Operasional, Perputaran Piutang, Dan Perputaran Persediaan Terhadap Likuiditas Perusahaan Manufaktur Yang Terdaftar Di Bei Ditengah Pandemi Covid-19," *Account. Glob. J.*, vol. 5, no. 1, pp. 13–33, 2021, doi: <https://doi.org/10.24176/agj.v5i1.5611>.
5. F. Indah Sari, "Restrukturisasi hutang dan kinerja keuangan dengan pendekatan analisis Diskriminan," pp. 237–248, 2014.
6. R. Riani and A. A. Nugraha, "Dampak Restrukturisasi Utang Terhadap Kinerja Keuangan (Studi Kasus pada PT X)," *Indones. Account. Lit. J.*, vol. 1, no. 1, pp. 66–75, 2020.
7. Y. Adrianus and S. Johan, "ANALISA KINERJA KEUANGAN PERUSAHAAN SESUDAH DAN SEBELUM RESTRUKTURISASI DENGAN METODE ECONOMIC VALUE ADDED (STUDI KASUS PT M)," *J. Manaj. BISNIS DAN KEWIRAUUSAHAAN*, vol. 2, no. 3, pp. 110–116, 2018, [Online]. Available: <https://journal.untar.ac.id/index.php/jmbk/article/view/4851/2804>
8. D. Rudiana Ade and L. Venusita, "Dampak Restrukturisasi Utang Pada Kinerja Keuangan Perusahaan," *J. Akunt. AKUNESA*, vol. 6, no. 3, pp. 1–20, 2018, [Online]. Available: <https://ejournal.unesa.ac.id/index.php/jurnal-akuntansi/article/view/27004>
9. S. Fatonah and S. Zahra, "ANALISIS NET PROFIT MARGIN, CURRENT RATIO DAN RESTRUKTURISASI PERSEROAN PT. KRAKATAU STEEL," *JRKA*, vol. 6, pp. 44–53, 2020.
10. Sugiyono, *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta, 2019.
11. D. R. Putri, "PENGARUH RISIKO BISNIS, INVESTMENT OPPORTUNITY SET, KEPEMILIKAN MANAJERIAL TERHADAP NILAI PERUSAHAAN PROPERTI DAN REAL ESTATE DENGAN VARIABEL INTERVENING STRUKTUR MODAL," 2020, [Online]. Available: <https://repository.unair.ac.id/101529/2/2>. ABSTRAK.pdf
12. H. As'ari, D. Airawaty, and B. Zaman, "Pengaruh Restrukturisasi Keuangan Terhadap Kinerja Perusahaan Grup Dan Non-Grup," *Jae (Jurnal Akunt. Dan Ekon.*, vol. 5, no. 1, pp. 61–68, 2020, doi: <https://doi.org/10.29407/jae.v5i1.14207>.
13. Heliani, R. Yulianti, and I. Hermawan, "Pengaruh Net Profit Margin , Current Ratio , Debt To Equity Ratio , Free Cash Flow dan Firm Size Terhadap Kebijakan Dividen," *Monet. J. Akunt. dan Keuang.*, vol. 9, no. 2, pp. 162–170, 2022.
14. D. B. Pramono, "Analisis Rasio Keuangan untuk menilai Kinerja Keuangan Perusahaan Pertambangan Logam dan Mineral," *J. Ilmu dan Ris. Manaj.*, vol. 4, no. 11, pp. 1–16, 2015.
15. T. Lesmana, Y. Iskandar, and Heliani, "PENGARUH KINERJA KEUANGAN TERHADAP NILAI PERUSAHAAN PADA PERUSAHAAN ROKOK YANG TERDAFTAR DI BEI Tera," *J. Proaksi*, vol. 7, no. 2, pp. 25–34, 2020.
16. Heliani and S. Elisah, "Pengaruh Profitabilitas , Makroekonomi , Firm Size Terhadap Financial Distress Dengan Nilai Perusahaan Sebagai Variabel Moderating," *Own. Ris. J. Akunt.*, vol. 6, no. 4, pp. 4142–4155, 2022.
17. S. Hadijah, "Price Earning Ratio (PER): Pengertian, Cara Menghitungnya," *Cermati*, 2021. <https://www.cermati.com/artikel/price-earning-ratio-per-pengertian-cara-menghitungnya>
18. Heliani, W. Handayani, N. H. K. Fadhillah, and S. H. Fadhillah, "Effect of Asset Structure , Company Size , Liquidity , Profitability , and Sales Growth on Capital Structure," *J. Bisnisan Ris. Bisnis dan Manaj.*, vol. 4, no. 1, pp. 80–92, 2022.
19. H. As'ari, "ANALISIS PENGARUH RESTRUKTURISASI KEUANGAN TERHADAP KINERJA PERUSAHAAN (Studi Kasus pada PT. Elnusa, Tbk)," *J. Ris. Akunt. Mercu Buana*, vol. 1, pp. 88–112, 2015, [Online]. Available: <https://ejurnal.mercubuana-yogya.ac.id/index.php/akuntansi/article/view/17015>
20. A. M. Sari, "PERBANDINGAN KINERJA KEUANGAN PERUSAHAAN SEBELUM DAN SESUDAH MELAKUKAN SPIN-OFF YANG TERDAFTAR DI BURSA EFEK INDONESIA," 2019.

21. E. Y. Dewi, "Pengaruh Restrukturisasi Terhadap Return Saham Perusahaan Dengan Eva Sebagai Variabel Moderating (Studi Pada Perusahaan Manufaktur Yang Terdaftar di BEI Tahun 2015-2019)," *Skripsi Fak. Ekon. Univ. Islam Negeri Maulana Malik Ibrahim Malang*, 2021.
22. M. I. A. Pratama, "Dampak Restrukturisasi Perusahaan Terhadap Kinerja Keuangan dan Sinergi Perusahaan (Pada Kasus Perbankan di Indonesia dan di India Pada Tahun 2007-2017)," *J. Chem. Inf. Model.*, vol. 53, no. 9, pp. 1689–1699, 2018.
23. L. E. Sihaloho and S. R. Handayani, "Perbedaan Kinerja Keuangan Perusahaan Sebelum dan Sesudah Right Issue (Studi Pada Perusahaan yang Terdaftar di Bursa Efek Indonesia (BEI) Non Perbankan dan Lembaga Keuangan Periode Tahun 2014 dan 2015)," *J. Adm. Bisnis*, vol. 61, no. 3, pp. 134–143, 2018.
24. N. Ravelita, R. Andini, and E. B. Santosa, "Pengaruh Current Ratio , Debt To Equity Ratio , Return on Assets Terhadap Price Earning Ratio Melalui Price To Book Value Sebagai Variabel Intervening Pada Perusahaan Terdaftar Di Bursa Efek Indonesia Periode 2012-2016," *J. Account.*, vol. 1, no. 1, pp. 1–20, 2018.
25. Yulazri, "Analisis Pengaruh Restrukturisasi Hutang Terhadap Return Saham Pada Perusahaan Go Publik Di Bursa Efek Jakarta Yang Melakukan Restrukturisasi Pada Tahun 2003," vol. 8, no. November, 2017.
26. Kasmir, *Analisis Laporan Keuangan*. Jakarta: Raja Grafindo Persada, 2016.
27. C. Yegon, J. Sang, and J. Kirui, "The Impact of Corporate Governance on Agency Cost: Empirical Analysis of Quoted Services Firms in Kenya," *Res. J. Financ. Account.*, vol. 5, no. 12, pp. 145–154, 2014.
28. A. Poerwokoesoemo, "Kinerja Bank Konvensional Pasca Spin Off Unit Usaha Syariah," *J. Keuang. dan Perbank.*, vol. 12, no. 2, pp. 145–164, 2016.
29. K. P. Permadi, "ANALISIS KOMPARATIF STRUKTUR PERMODALAN, PERTUMBUHAN ASET DAN MARKET SHARE PADA BANK UMUM SYARIAH ATAS KEBIJAKAN SPIN OFF," p. 138, 2018.
30. M. Basri, "Debt To Equity Ratio Dan Total Assets Turnover Sebagai Determinan Return On Equity Pada Perusahaan Property Dan Real Estate," *J. Akunt. dan Keuang. Kontemporer*, pp. 50–59, 2020, doi: <https://doi.org/10.30596/jakk.v3i1.8508>.
31. S. Bahri, "ANALYSIS OF FINANCIAL PERFORMANCE DIFFERENCE BEFORE AND AFTER RIGHT ISSUE (Study on Manufacturing Entity Listed on Indonesia Stock Exchange)," *Ekp*, vol. 13, no. 3, pp. 1576–1580, 2015.
32. P. Naomi, "Financial Performance of Sharia Banks Before and After Spin-Off," *J. Innov. Bus. Econ.*, vol. 1, no. 02, p. 83, 2017, doi: <https://doi.org/10.22219/jibe.vol1.no02.83-92>.
33. Heliani, F. Mareta, E. Rina, M. S. Rahayu, and M. Rizky Ramdaniyansyah, "Liquidity , Profitability and Asset Growth towards The Dividend Payout Ratio," *AFRE Account. Financ. Rev.*, vol. 4, no. 2, pp. 225–232, 2021.
34. Kasmir, *Analisis Laporan Keuangan*, Edisi Revi. Jakarta: Raja Grafindo Persada, 2019.
35. M. M. Hanafi and A. Halim, "RETURN ON EQUITY (ROE)," in *Analisis Laporan Keuangan*, Edisi Keli., Yogyakarta: UPP STIM YKPN, 2016, pp. 177–178.
36. N. Novyarni and M. Dewi, "Pengaruh Sales Growth, Leverage, Operating Capacity Dan Ukuran Perusahaan Terhadap Prediksi Kesulitan Keuangan," *Pros. Konf. Nas. Ekon.*, vol. 1177, no. 2019, pp. 12–22, 2020.
37. I. Fahmi, *Analisis Laporan Keuangan*. Bandung: Alfabeta, 2020.
38. R. D. Putri, "PERBANDINGAN KEKUATAN UJI METODE KOLMOGOROV-SMIRNOV, ANDERSON-DARLING, DAN SHAPIRO-WILK UNTUK MENGUJI NORMALITAS DATA," UNIVERSITAS SANATA DHARMA, 2020.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

