

PROFILE AND FINANCIAL PERFORMANCE ANALYSIS OF THE COMPANY IN THE COAL MINING SECTOR OF PT.ADARO MINERAL TBK AS ONE OF THE COMPANIES LISTED UNDER THE IDX (INDONESIA STOCK EXCHANGE)

Likdanawati¹, Lisa Dwi Yana², Nailul Authar³, Alya Azhara⁴, Safrina⁵

^{1,2,3,4,5} Faculty of Economic and Business, Universitas Malikussaleh

Corresponding Email: likdanawati@unimal.ac.id

Abstract

The purpose of this study is to find out and analyze how the profile and financial performance of one of the mining sector companies PT. Adaro Mineral.Tbk which is listed on the IDX (Indonesian Stock Exchange). The main object of this research is PT. Adaro Mineral.Tbk. This study uses descriptive qualitative techniques and literature review. The results of this study are PT. Adaro Minerals Indonesia Tbk has increased in all aspects, including finance, but it is still said to be not good because the calculation results show that the company's ratio is still below the industry standard.

Keywords: *profile of PT. Adaro Mineral Tbk, financial performance, mining sector companies, IDX (Indonesian Stock Exchange).*

1.INTRODUCTION

The rapid development of the mining sector that has occurred in Indonesia in recent years has attracted the interest of investors to invest in this sector. Financial reports that describe the financial condition of a company are information that can be used to help investors and other capital market players make decisions and assess the condition or financial performance of a company. As we know, the mining industry in Indonesia has experienced rapid growth in recent years. There are production restrictions, especially in the regional Mining Business Permits (IUP) so that over supply does not occur and consumption needs in Asia continue to grow which encourages this sector to still be of great interest to investors. In the midst of increasingly competitive competition, this encourages companies to create continuous innovations and develop new concepts or methods within the company so that the company still has added value in the eyes of its investors. According to Sundjaja and Barlian (2001:47). "Financial report is a report that describes the results of the accounting process which is intended as a communication for stakeholders with financial reports or activities company".

The financial statements consist of: balance sheet, comprehensive income statement, statement of changes in equity, statement of changes in financial position which can be presented as a cash flow statement. So the financial statements can also be used by external parties from the company. For example investors, if a company's financial statements from one period to another experience a good (positive) increase it can be an opportunity to attract investors to invest. investing in our company. From the existence of financial reports, investors can find out, estimate the condition or position of the direction of a company's funds.

1.1.Problem Formulation:

1. What is the profile of PT Adaro Mineral Tbk. in the coal mining sector?
2. How is PT Adaro Mineral Tbk's financial performance?

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3. Is the financial performance of PT Adaro Mineral Tbk. reflect the steady growth of the coal mining sector?
4. Are there external factors that affect the profile and financial performance of PT Adaro Mineral Tbk.?

1.2.Research Objectives:

1. Analyzing the profile of PT Adaro Mineral Tbk. in the coal mining sector.
2. Analyzing the financial performance of PT Adaro Mineral Tbk. during 2018-2020.
3. Knowing whether the company's financial performance reflects stable growth in the coal mining sector.
4. Evaluate the external factors that affect the profile and financial performance of PT Adaro Mineral Tbk.

1.3.Research Benefits:

1. a better understanding of the company profile of PT Adaro Mineral Tbk., particularly in the coal mining sector.
2. Knowing the company's financial performance and whether the company is experiencing stable growth.
3. Provide insight to investors and stakeholders regarding external factors that affect the profile and financial performance of the company.
4. Increase stakeholder trust by analyzing the company's financial performance in an objective and transparent manner.

2.LITERATURE REVIEW

Indonesia Stock Exchange (IDX) (English: Indonesia Stock Exchange (IDX) is a stock exchange operating in Indonesia. The Indonesia Stock Exchange is an exchange resulting from the merger of the Jakarta Stock Exchange (BEJ) and the Surabaya Stock Exchange (BES). For the sake of operational and transaction effectiveness, the Government decided to merge the Jakarta Stock Exchange as a stock market with the Surabaya Stock Exchange as a bond and derivatives market to become the IDX.[1] The resulting stock exchange began operating on December 1, 2007. Stock Exchange is a legal entity that has the task of being a facility in carrying out and regulating the course of Securities trading activities in the Capital Market. Meanwhile, from a micro-economic perspective for exchange members (issuers), the function of the Stock Exchange is to obtain capital that can be used for business expansion. Meanwhile, from a macroeconomic perspective, the Stock Exchange has an important role in driving the country's economy

2.2.Financial management

According to Bambang (2012: 4), financial management is all company activities related to efforts to obtain the necessary funding at minimum costs and the most favorable terms, as well as efforts to use these funds as efficiently as possible. According to Sudana (2011: 1), financial management is one area of functional management that applies financial principles in making long-term investment decisions to managing company working capital in short-term investments and funding. According to Sonny, S (2003), financial management is defined as an organization, company or institution in managing funds. This financial management can aim to acquire, use, and manage assets to achieve common goals. According to Suad Husnan & Enny Pudjiastuti (1998:4), explaining that financial management is an organizational activity in managing finances involving planning, analysis, and controlling of financial activities.

2.3. Financial performance and its functions

According to Irhan Fahmi (2011: 2) financial performance is an analysis carried out to see how far a company has carried out using the rules of financial implementation properly and correctly. According to Sutrisno (2009) in Hutabarat (2020) a company's financial performance is an achievement that has been achieved by a company in a certain period that reflects the level of soundness of the company. Financial Performance is management performance, which is an expansion of financial value and estimated benefits. According to the Indonesian Institute of Accountants (2007) financial performance is a company's ability to manage and control its resources. According to Fahmi (2012: 2), financial performance is an analysis that is carried out to see how far a company has carried out by using the rules of financial implementation properly and correctly. Like by making financial reports in accordance with Financial Accounting Standards (SAK). Meanwhile, according to Mulyadi (2007: 2), financial performance is a periodic determination of the operational effectiveness of an organization and its employees based on targets, standards and criteria previously set. From some of these definitions of financial performance, it can be concluded that financial performance is a business or ability that is carried out by the company in managing the company's financial condition in a certain period in accordance with the rules that apply properly and correctly.

In practice, the function of financial performance in a business is as a reference material to determine the extent to which the company achieves its performance targets. So that in the business world it will be known to what extent and for how many periods a company can maintain its stability. Apart from being a tool to determine company stability, of course financial reports will make the company know the contribution of each unit it manages its business. That way, units that are lacking in contribution will receive an evaluation. In the business world, of course, financial reports will reveal some data to determine the company's strategy going forward. For example, how the company will face the following year with available funds. And with all the details of incoming and outgoing cash, it will be clear to determine the next business strategy. Then the last general function of financial reports in the business world is as a policy reference for investment. So that it can be seen clearly how much minimum capital must be invested to provide efficiency in the productivity of a company. .(accurate.id:2023).

2.4. Activity Ratio

The activity ratio is the ratio used to measure the effectiveness of a company in using its assets. According to Kasmir (2015: 172), the activity ratio is the ratio used to measure a company's effectiveness in using its assets. According to Khikmawati and Agustina (2015), the activity ratio is the ratio used to measure a company's ability to manage all of the company's assets so that it can provide cash flow to the company. There are several types of activity ratios that are used as measuring tools to determine a company's ability to use its assets, including:

Total Assets Turn Over

According to Kasmir (2017: 185) total asset turnover is the ratio used to measure the turnover of all assets owned by the company and measures the amount of sales obtained from each rupiah of assets. The greater this ratio, the better, which means that assets can rotate faster and earn profits and show more efficient use of overall assets in generating sales.

$$\text{Total assets turn over} = \frac{\text{Penjualan}}{\text{Total Aktiva}}$$

Working Capital Turn Over

According to Kasmir (2017: 182), working capital turnover is a ratio that measures or assesses the effectiveness of a company's working capital during a certain period. This means how much working capital rotates during a period. If the turnover of working capital is low, it can be interpreted that the company is having an excess of working capital. However, if the working

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capital turnover is high, it means that it is due to high inventory turnover or accounts receivable turnover. The company's industry average standard can be seen that, if it is said to be good, that is above 6 times and if it is below 6 times, it means the company is in bad condition.

The formula used to find working capital turnover is:

$$\text{Working capital turn over} = \frac{\text{Penjualan}}{\text{Modal Kerja}}$$

Fixed Assets Turn Over

According to Kasmis (2017: 184), fixed asset turnover is the ratio used to measure how many times the funds invested in fixed assets rotate in one period, in other words to measure whether the company has fully used its fixed asset capacity or not. Average standard it can be seen that if it is said to be good more than 5 times and if it is below 5 times it means that the company is in bad condition. The formula used to find the turnover of fixed assets is:

$$\text{Fixed assets turn over} = \frac{\text{Penjualan}}{\text{Total Akiva Tetap}}$$

Inventory Turn Over

According to Kasmir (2017: 180), inventory turnover is the ratio used to measure how many times the funds invested in this inventory rotate in a period. It can be interpreted that inventory turnover is the ratio that shows how many times the number of inventory items is replaced in one year. The smaller the inventory turnover ratio, the worse and vice versa. The industry average standard can be seen if it is below 20 times, then inventory turnover is not good and if it is above 20 times, inventory turnover can be said to be good. Inventory turnover can be calculated as follows:

$$\text{Inventory turn over} = \frac{\text{Harga Pokok Penjualan}}{\text{Persediaan}}$$

Receivable Turn Over

According to Kasmir (2017: 175), accounts receivable turnover is the ratio used to measure how long it takes to collect receivables during one period or how many times the funds invested in these receivables rotate in one period. The company's industry average standard can be seen that if it is said to be good, that is above 15 times and if it is below 15 times it means the company is not in good condition. Accounts receivable turnover can be calculated as follows:

The average time of collection of accounts receivable shows the average period required for:

$$\text{Receivable turn over} = \frac{\text{Penjualan Kredit}}{\text{Rata-Rata Piutang}}$$

collect receivables. The standard average time for collecting receivables can be seen if it is above 60 days then it can be said to be not good and if it is below 60 days then the average time for collecting receivables can be said to be good.

2.5.Investment

Eduardus Tandelilin

Eduardus Tandelilin explains the notion of investment as a commitment to a number of funds or other resources that are currently being carried out, with the aim of obtaining future profits.

The definition of investment according to experts Farid Harianto and Siswanto Sudomo is an activity of placing funds in one or more assets for a certain period with the hope of obtaining income and or increasing investment. Fitz Gerald explained investment as an activity related to efforts to withdraw the resources used to procure capital goods at the present time which will then generate a flow of new products in the future.

2.6.Previous research

"The performance of a company will be measured more based on ratios for a certain period" (Munawir, 2000). Analysis of the company's financial ratios is very important for potential investors where this report will determine how much investment they can provide. The results of the analysis above can be used as a guideline for business development, so that those who need this report are not only investors but also company management. According to (Harvarindo: 2010), "a ratio is a collection of numbers that will be compared with a collection of other numbers as a relationship. "While finance is something related to accounting such as management and financial reports". "So a financial ratio is an index that relates two accounting numbers obtained by dividing one number by another number" (Kasmir: 2008).

3.RESEARCH METHODS

This study uses two methods, namely:

- Descriptive qualitative

This type of qualitative descriptive research is a combination of two methods, namely descriptive and qualitative. This research will later display the results of the data as it is or without the manipulation process. Qualitative descriptive research interprets and describes existing data along with the current situation. This study also reveals attitudes, contradictions, relationships and views that occur in a scope of respondents. In addition, this type of qualitative descriptive research also describes the conditions as they are without manipulation of the variables studied. This research is a type of research with the process of obtaining data that is what it is and actually.

- Literature review

is a research process that involves reviewing and critically evaluating existing literature sources. The main purpose of literature review is to understand and describe the current state of research in the field related to the topic under study.

4.RESULTS AND DISCUSSIONS

4.1.COMPANY PROFILE

History of PT Adaro Minerals Indonesia Tbk (IDX: ADMR)



PT Adaro Minerals Indonesia Tbk (IDX: ADMR) is a subsidiary of PT Adaro Energy Indonesia Tbk that focuses on metallurgical and mineral coal mining, and mineral processing. Currently, the company operates as the first and only metallurgical coal producer in Indonesia and is building an aluminum smelter in a green industrial area in North Kalimantan.

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Through its subsidiaries, the Company owns five concession areas of the Coal Mining Concession Agreement of Work (PKP2B) with large metallurgical coal resources and reserves in East and Central Kalimantan. Adaro Minerals Indonesia's business started with Lampunut hard coking coal, a premium quality product of its subsidiary PT Maruwai Coal, which is welcomed and recognized by most steel producers in the global market. Strategic plans are being prepared for another metallurgical coal concession to usher Adaro Minerals Indonesia into one of the world's largest coking coal producers. The Company is also prepared to commence mineral processing operations as part of Adaro's transformation into a green business. In 2022, his subsidiary company, PT Kalimantan Aluminium Industry, started the pre-construction phase of an aluminum smelter in the world's largest green industrial area located in North Kalimantan. In the initial phase, the project is expected to produce around 500,000 tons/year of aluminum ingots, which will be increased to 1.5 million tons/year at full scale. Mineral processing is the company's effort to contribute while capturing green economy opportunities that are intensively developed by the government The following is a description of the history and track record of the Company and Subsidiaries:

YEAR	TRACK RECORD
2007	Perseroan didirikan dengan nama PT. Jasapower Indonesia
2010	PT. Adaro Energy Indonesia Tbk a acquis une participation de 25 % dans PT. Terres houillères, PT. Maruwai Coal, PT. Charbon baryto sumber, PT. Kalteng Coal, et PT. Juloi Charbon.
2015	Started production of high quality Semi soft Coking Coal (SSCC) known as Haju, through PT. Coal.
2016	PT Adaro Energy Indonesia Tbk acquired the remaining ownership in PT Lahai Coal, PT Maruwai Coal, PT Sumber Barito Coal, PT Kalteng Coal, and PT Juloi Coal to own all shares of the subsidiary.
2019	Started production of Hard Coking Coal (HCC) known as Lampunut Hard Coking Coal and Lampunut Green Coal, through PT Maruwai Coal.
2020	Pengiriman pertama Lampunut Hard Coking Coal (HCC) pada bulan Mei 2020
2021	<ul style="list-style-type: none"> PT Jasapower Indonesia changed its name to PT Adaro Minerals Indonesia Tbk Through PT Alam Tri Daya Indonesia, the Company completed the acquisition of 99% ownership of PT Lahai Coal, PT Maruwai Coal, PT Sumber Barito Coal, PT Kalteng Coal, and PT Juloi Coal from PT Adaro Energy Indonesia Tbk.
2022	<ul style="list-style-type: none"> PT Adaro Minerals Indonesia Tbk officially listed on the Indonesia Stock Exchange on January 3, 2022 The Company's parent company, PT Adaro Energy Indonesia Tbk streamlined its businesses into three growth pillars, namely Adaro Energy, Adaro Minerals, and Adaro Green. With this, the Company leads the Adaro Minerals pillar by managing and coordinating all Adaro Group businesses related to mineral products. The Company established PT Adaro Battery Indonesia (ABI) which later took over PT Adaro Indo Aluminium

Vision and mission of the company

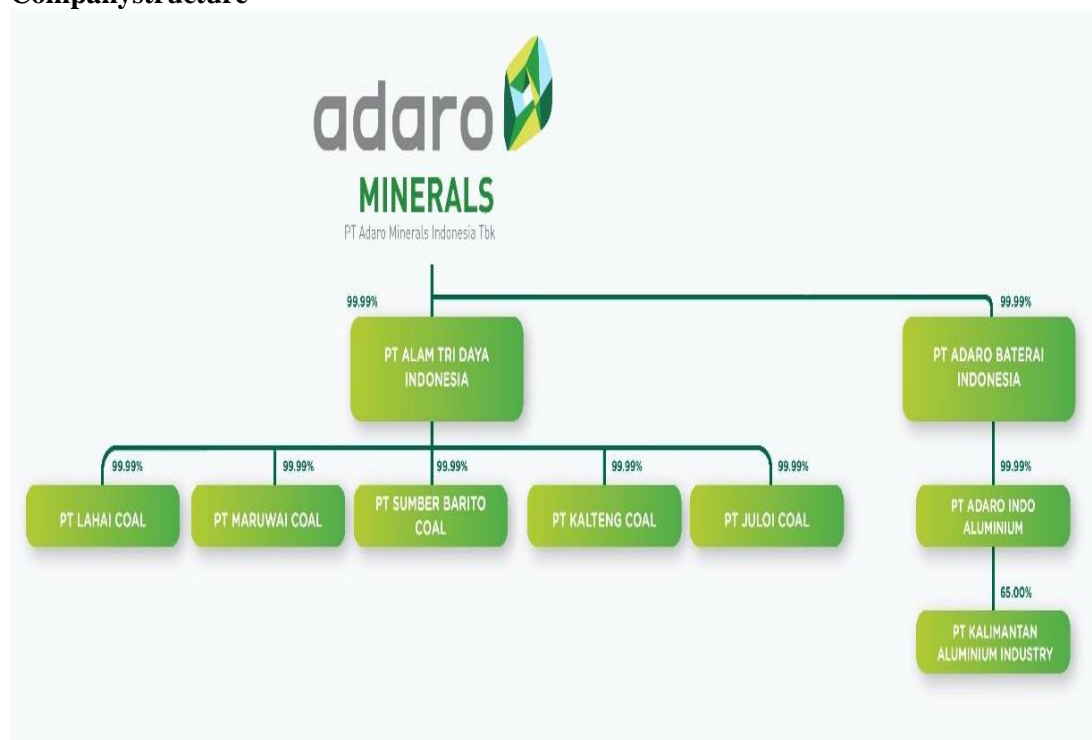
Vision: Adaro Minerals Indonesia envisions to be Indonesia's leading mining company.

Mission: Adaro conducts mining and energy business with a mission to:

1. Satisfying customer needs
2. Develop employees
3. Establish partnerships with suppliers
4. Supporting community and state development
5. Prioritizing safety and environmental sustainability
6. Maximizing shareholder value
7. Value of company value



Company structure



4.2.FINANCIAL PERFORMANCE OF PT. ADARO MINERAL Tbk

As for the financial performance of PT. Adaro minerals Tbk was examined using several ratios, including:

1) Total Assets Turn Over This ratio is used to measure the turnover of assets owned by the company and measure how much sales are obtained from each rupiah of assets. From the results of the calculation of total asset turnover, it can be considered in the following table:

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Table 1: Results of Total Asset Turnover Analysis at PT. Adaro Minerals Indonesia Tbk Listed on Indonesia Stock Exchange (IDX) Year: 2020-2021 (in thousand rupiah).

Thn	Penjualan	Total Aktiva	PTA (kali)	Naik (turun)
2020	123.304	855.222	0,14	-
2021	460.171	965.703	0,48	0,34

Based on table 1.1 above, it can be seen that the total turnover of assets of PT. Adaro Minerals Indonesia Tbk for the 2020-2021 period experienced a significant increase of 0.34 times from 0.14 times to 0.43 times. This increase was due to an increase in sales and an increase in total assets. This increase is also due to the decline in cases of the Covid-19 pandemic that hit Indonesia since 2 years ago. The easing of the Covid-19 pandemic has had a good influence on companies, especially mining exporter companies, namely coal. Because during the Covid-19 pandemic, the economic sector is getting worse due to restrictions on community activities that can affect business activities and greatly impact the Indonesian economy. Several countries also temporarily suspended the coal export process.

2) Working capital turn over This ratio is used to measure business activities against the excess of current assets over current liabilities and shows the number of sales (in rupiah) that can be obtained by the company for each rupiah of working capital (Sawir, 2009). In other words, this ratio is used to measure or assess the effectiveness of a company's working capital over a certain period. From the calculation of working capital turnover, it can be considered in the following table:

Table 2. Results of Working Capital Turnover Analysis at PT. Adaro Minerals Indonesia Tbk Listed on Indonesia Stock Exchange (IDX) Year 2020 2021 (in thousands of rupiah)

Thn	Penjualan	Modal Kerja	PMK (kali)	Naik (turun)
2020	123.304	259,146	0,48	-
2021	460.171	205.444	2,24	1,76

Sumber : Data Laporan Keuangan Tahun 2021

Based on table 2 shows that the working capital turnover of PT. Adaro Minerals Indonesia Tbk shares net sales divided by working capital. The increase in working capital turnover was due to an increase in the number of net sales and a decrease in the amount of working capital. From 2020-2021, it increased by 0.48 times to 2.24 times obtained from the perhit, the results of the analysis can be concluded that the company's working capital turnover is still considered unfavorable because the value of working capital turnover is still below the industry average standard, which is still below 6 times.

3) Fixed Assets Turn Over This ratio is to measure the extent to which the company's ability to generate sales based on the fixed assets that the company already has. From the calculation of fixed asset turnover, it can be seen in the following table:

Table 3. Results of Fixed Asset Turnover Analysis at PT. Adaro Minerals Indonesia Tbk Listed on Indonesia Stock Exchange (IDX) for 2020-2021

Thn	Penjualan	Total Aktiva Tetap	PAT (kali)	Naik (turun)
2020	123.304	684.403	0,18	-
2021	460.171	649.173	0,71	0,53

Sumber : Data Laporan Keuangan Tahun 2021

Based on table 3 shows that the turnover of fixed assets of PT. Adaro Minerals Indonesia Tbk in 2020-2021 increased from 0.18 times to 0.71 times obtained from the calculation of sales distribution with total fixed assets. This is due to the increase in the number of sales and the decrease in total fixed assets. From the results of the analysis, it can be concluded that the company is still considered not good because the value of fixed asset turnover is still below the industry average standard, which is below 5 times.

4) Perputaran Persediaan (Inventory Turn Over)

This ratio describes the level of liquidity in the company, namely by measuring the efficiency of a company in managing and selling inventory owned by the company. PT. Adaro Minerals Indonesia Tbk has no inventory in its financial statements. **Table 4. Results of Inventory Turnover Analysis at PT. Adaro Minerals Indonesia Tbk Listed on Indonesia Stock Exchange (IDX) Year 2020-2021**

Thn	Harga Pokok Penjualan	Persediaan	Perput. Persediaan (kali)	Naik (turun)
2020	-	43.130	-	-
2021	10.010	33.121	0,302	0,302

Sumber : Data Laporan Keuangan Tahun 2021

Based on this table, inventory turnover in 2020-2021 at PT. Adaro Minerals Indonesia Tbk experienced a good result of 0.302 times. This is because PT. Adaro Minerals Indonesia Tbk is a relatively new company and has only been listed on the Indonesia Stock Exchange for two years as a company in the coal mining sector. By starting this company, PT. Adaro Minerals Indonesia Tbk always strives to improve the results of its financial statements to be better.

5) Receivable Turn Over This ratio looks at several assets and then determines what the activity level of those assets is at a certain level of activity. Low activity at a certain level of sales will result in greater excess funds embedded in these assets. The excess funds will be better if invested in other assets that are more productive.

From the calculation of receivables turnover, it can be shown in the following table: **Table Results of Working Capital Turnover Analysis at PT. Adaro Minerals Indonesia Tbk Listed on Indonesia Stock Exchange (IDX) Year 2020-2021**

Thn	Penjualan	Piutang	Perpu. Piutang (kali)	Naik (turun)
2020	123.304	74.474	1,66	-
2021	460.171	6.282	9,58	7,92

Sumber : Data Laporan Keuangan Tahun 2021

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Based on table 5.1, receivables turnover in 2020-2021 has increased

Significant from 1.66 times to 9.58 times from the calculation of sales distribution with receivables. This increase in turnover was due to an increase in the number of sales and a significant decrease in receivables. Judging from the explanation of receivables turnover from 2020-2021, it can be concluded that the company is still below the industry average and the company is not in good condition.

4.3.STABILITY OF FINANCIAL PERFORMANCE OF PT. ADARO MINERALS TBK.

According to Rudianto (2013): "Financial performance is the result or achievement that has been achieved by company management in managing company assets effectively during a certain period. Financial performance is needed by companies to know and evaluate the company's success rate based on financial activities that have been implemented." According to Fahmi (2011) "financial performance is an analysis conducted to see the extent to which a company has implemented using financial implementation rules properly and correctly. Such as by making a financial statement that has met the standards and provisions in SAK (Financial Accounting Standards) or GAAP (General Accepted Accounting Principle), and others.

Thus, measuring the financial performance of a company becomes very important for management to evaluate the company's performance and plan for future goals. This means that financial performance based on the financial statements that have been presented can provide meaning when an analysis of a performance implementation is carried out. Financial statements present an overview of the financial position of the company's performance in generating profits. The financial position of the company is indicated in the balance sheet statement. In the balance sheet report describes the position of assets, liabilities, and capital at a given moment. Financial statements can mean for interested parties, it is necessary to analyze the relationship of various items in a financial statement which is often called financial statement analysis.

In order for financial statements to be understood and understood, it needs to be analyzed first with various analytical tools used. Some ways used to analyze a company's financial performance are by conducting financial ratio analysis and trend analysis. With the analysis of financial ratios and trend analysis, it can provide information and an overview of the company's strengths and weaknesses. Munawir stated (2014) "Financial ratios as something that describes a relationship or balance (mathematical relationship) between a certain amount and another amount, and by using analytical tools in the form of this ratio, it can explain or provide an overview for analysts about the good or bad condition and financial position of a company, especially if the ratio figure is compared with the comparison ratio figure used as a standard."

Financial ratio analysis is an activity that compares the numbers in the financial statements by dividing one number by another. Comparisons can be made between one component with components in one financial statement or between components in between financial statements. According to (Ekonomi.bisnis.com), the slowing global economy caused the HBA in May to fall again from the previous month. Down US\$4.66 to US\$61.11 per ton. In April the figure was at US \$ 65.77 per ton, Wednesday (6/5/2020). The decline in coal prices has occurred over the past two months. Since January 2020, HBA has fluctuated. January HBA recorded a figure of US \$ 65.93 per ton, down from US \$ 66.30 per ton in December 2019. Then it rose in February by US \$ 66.89 per ton and in March by US \$ 67.08 per ton. Then HBA again decreased last month which reached US \$ 65.77 per ton.

Thus, what must be done by the company is not only a way or effort to increase profits, but more importantly, efforts to enhance company performance is the main task of a manager to always maintain stability, growth and reliable profit achievement with investment, and make the company able to implement a strategy so that the company can run effectively and encourage the progress of the company. The performance of a company relates to how a company manages its resources in generating profits that will increase the prosperity of the company. Performance is not only a big

profit problem but also related to the effectiveness of a company in managing its business. PT Adaro Minerals Tbk is a leading mining company and the second largest coal producer in Indonesia. Adaro Minerals has grown into a vertically integrated organization, with energy-centric subsidiaries including mining, large vessel transportation, ship loading, dredging, port services, marketing and power generation. The company operates Indonesia's largest single coal mine (in South Kalimantan) and aims to become the largest mining and energy group in Southeast Asia. PT Adaro Minerals Tbk was established on July 28, 2004 and listed on the Stock Exchange on July 16, 2008. PT Adaro Mineral is one of the largest mining companies in Indonesia. For the company's management, the results of the ratio analysis of financial statements are expected to be able to provide important financial information data that describes the potential strengths and weaknesses that exist. Knowing comprehensively information about weaknesses strength shown through the results of data analysis and make the next capital basis to build company management performance and position appropriately about conditions and situations that are in line with corporate financial governance.

4.4.EXTERNAL AND INTERNAL FACTORS AFFECTING PT ADARO MINERAL TBK'S FINANCIAL PERFORMANCE. External factors that may affect PT Adaro Mineral Tbk's financial performance may include the following:

- Coal Price Fluctuations
According to Serra and Gil (2013), fluctuation is a phenomenon of change in the form of ups and downs of certain value variables caused by changes in market mechanisms. From some of the explanations above, it can be concluded that fluctuations are price changes that occur within a certain period of time. According to KBBI, fluctuations are phenomena and conditions that indicate price fluctuations, or price changes due to the influence of demand and supply. PT Adaro Mineral Tbk is a coal mining company, so fluctuations in coal prices can significantly affect the company's financial performance. If coal prices rise, companies can earn higher revenues, whereas if coal prices fall, revenues can decrease. (Nailul, et al 2023)
- Global Demand Global
customers are consumers who need the same product or service in different countries. Global demand for coal also affects the company's financial performance. If global demand increases, PT Adaro Mineral Tbk may increase sales volume and revenue. Conversely, if global demand declines, this can have a negative impact on the company's financial performance. (Nailul, et al 2023)
- Regulation is a set of rules
or policies created to control or regulate the actions or behavior of a person, group, or organization in a particular field. Steewart and Walshe (1992) The meaning of regulation according to Steewart and Walshe is a process to ensure that standards as a legal requirement are met for certain services or public activities so that policies are met. Government regulations and policies related to the coal mining industry may affect the financial performance of PT Adaro Mineral Tbk. Changes in policies governing operating permits, environment, or taxes, for example, may have an impact on operating costs or restrictions on company activities. (Nailul et al, 2023)
- Global and National Economic
Conditions The global economy is an economy based on the national economies of all countries in the world, which can occur due to international trade relations between countries Global and national economic conditions at large can also affect the financial performance of PT Adaro Mineral Tbk. For example, a decline in global or national economic growth can reduce coal demand, while strong economic growth can increase demand and coal prices. (Nailul et al, 2023)

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- **Industrial Company**

According to the German economist of the Friedrich Naumann Stiftung, Dr. Rainer Adam argues that competition is an effective and efficient mechanism aimed at finding new solutions to new problems and new challenges that always arise in the economic world. Competition in the coal mining industry can affect the company's financial performance. If competition is fierce, companies may face pressure on selling prices and profit margins. (Nailul, et al 2023)

- **Currency Exchange Rates**

Aristotle defined exchange value as the ability of goods to be exchanged with other goods on the market. Exchange rate in financial management is defined as a level of currency that will be exchanged with another currency. PT Adaro Mineral Tbk may be exposed to currency exchange risk if it conducts international trade. Exchange rate fluctuations can affect a company's revenue and costs if transactions are carried out in foreign currencies. (Nailul, et al 2023).

- **Technology Development**

Elul (in Miarso, 2007) said that technology is the entirety of methods that rationally lead and have characteristics of efficiency in every field of human activity. Technological developments in the coal mining industry can also affect the company's financial performance. New technological innovations that improve operational efficiency can reduce production costs and increase company competitiveness. (Nailul, et al 2023).

5.CONCLUSION AND SUGGESTIONS

5.1.CONCLUSION

The activity ratio is a ratio that companies use to measure how effective the company is in utilizing resources or assets. There are several types of activity ratios that are used as a measuring tool to determine the company's ability to use its assets, namely total asset turnover, working capital turnover, fixed asset turnover, inventory turnover, and receivables turnover. The following is the result of the analysis of the calculation of the activity ratio at PT. Adaro Minerals Indonesia:

Rasio Aktivitas	2020	2021	Standar Industri
Perputaran total aktiva	0,14	0,48	2 kali
Perputaran modal kerja	0,48	2,24	6 kali
Perputaran aktiva tetap	0,18	0,71	5 kali
Perputaran persediaan	-	0,30	15 kali
Perputaran piutang	1,66	9,58	20 kali

From the results of the analysis above, it shows that the ratio of activity in 2020 and 2021: PT. Adaro Minerals Indonesia Tbk has improved in all aspects, but it is still said to be not good because the calculation results show that the company's ratio is still below industry standards. This can affect users of financial statements because the analysis of a company's financial ratios is carried out by users of financial statements that are compared with industry standards. Due to the activity ratio of PT. Adaro Minerals Indonesia Tbk is still below industry standards which shows that the company's performance and development are still not good compared to other similar industries. The company must further improve performance and have high competitiveness.

5.2.SUGGESTIONS

Some suggestions that can be given by researchers are:

1. Encourage Adaro Indonesia to improve and utilize its competitive advantages in order to seize all opportunities and win the competition as well as maintain in coal production both import and export.
2. Improve relations with other countries because Adaro Indonesia's market share is 75% of coal exported to the global market. In addition, the company must maintain strong coal production because the coal made by Adaro is of good quality.
3. PT. Adaro Energy Tbk already has a good financial performance. However, if the company wants better financial performance, the company PT. Adaro Energy Tbk must reduce the use of less important cash, in order to guarantee all current debts owned by PT. Adaro Energy Tbk properly, and to recalculate so that current debt does not exceed its current assets.

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