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Analysis of the Company's Financial Performance Before and After the Initial Public Offering on the Indonesia Stock Exchange

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A B S T R A C T

Initial Public Offering is the offering of shares or other securities from a company to the public for the first time. The purpose of the study is to determine the difference in financial performance before and after IPO in *property* and *real estate* sector companies on the IDX in 2020 as seen from the CR, DER, NPM, and TATO. The number of samples in the study was 12 companies. Data collection used non-participant observation with technique saturated *sampling*. This study uses quantitative methods and comparative descriptive research types. The data analysis techniques used are descriptive statistical analysis and inferential statistical analysis. The results of the hypothesis test showed that the company's financial performance as measured by the CR and DER did not have a significant difference before and after the IPO. Meanwhile, the company's financial performance as measured by NPM and TATO has significant differences before and after the IPO.

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INTRODUCTION

The capital market is a meeting place for companies or agencies that need funds with people who have excess funds. The capital market is one of the important indicators in the progress of a nation's economic because it plays an important role in mobilizing funds from underfunded parties (companies) and overfunded parties (investors). Through the capital market, companies can obtain the financing needed to support their operational activities and business expansion.

In carrying out these operational activities, the company needs considerable funds. Companies have various alternate sources of funding, both inside and external to the company. Alternatives to funding from within the company generally use the profits held by the company, while alternative funding from outside the company can come from the issuance of securities or securities, such as stocks and bonds (Arifardhani, 2020:101). Financing through the sale of company shares to the public is often called an *Initial Public Offering* (IPO).

Along with the increasing public interest and awareness of making capital market investments, the number of capital market investors on the Indonesia Stock Exchange (IDX) has experienced significant growth. This has also encouraged many companies to take advantage of IPOs as an alternative to funding. The increase in public interest in investment can be seen in Figure 1.1.

Source: KSEI (Indonesian Central Securities Depository)

Figure 1. Number of Capital Market Investors on the Indonesia Stock Exchange in 2018-January 2021

Figure 1 demonstrates the rise in the number of investors every year, in 2019 there was a rise in 53.41 percent from the year prior, then in 2020 there was an increase of 56.21 percent from 2019 and in January 2021 there was an increase of 8.83 percent. The increasing public interest in investment has a favorable effect on the increase in the number of companies conducting IPOs.

Source: IDX (data processed by the author)

Figure 1. Number of Companies Conducting IPOs in 2017-2022

Figure 2 demonstrates that the quantity of companies carrying out IPOs on the IDX fluctuated during the 2017-2022 period. This fluctuation also occurs in companies in the *property* and *real estate* sector, where the highest quantity of companies carrying out IPOs in the *property* and *real estate* sectors occurred in 2020 as many as 12 companies, while the lowest number was recorded in 2021 and 2022, as many as 3 companies each.

Research conducted by Lubis (2021) determined that there was an overall enhancement of financial performance between before and after the IPO. Studies carried out by Mwenda *et al*. (2021) indicates that there is an improvement in the company's performance after listing compared to before listing on the Dar es Salaam Stock Exchange. This happens because after the listing there is a rise in sales, an increase in market share, and an expansion of operations so as to attract more revenue and profits for the company. In the interim, studies carried out by Khatami *et al*. (2017) demonstrates that the overall financial results following the IPO has not improved. This is possible because the company is still in the adjustment stage in the state of sharing share ownership and also increasing reporting costs. The outcomes of the studies carried out by Ahmed (2021) concluding that the financial results of publicly traded firms declined after conducting an IPO.

In light of the explanation of the outcomes of the earlier studies, there were various results, therefore the researcher conducted a re-study with the title **"Analysis of the Company's Financial Performance Before and After *the Initial Public Offering* on the Indonesia Stock Exchange".**

THEORETICAL REVIEW

Agency Theory

Explain the contractual relationship between *the principal* (owner) and *agent* (management), where there is a potential conflict of interest due to differences in objectives and asymmetric information. In the context of an IPO, agency conflicts can be reflected in post-IPO financial performance, which indicates whether management is managing funds optimally in the best interests of owners.

Initial Public Offering (IPO)

The initial public offering procedure that change the status of a company from closed to public. IPOs provide various benefits, such as access to long-term funding, increased company value, business sustainability, corporate image, and tax incentives. However, IPOs also carry consequences such as transparency obligations, regulatory compliance, and changes in ownership structures.

Financial performance

It is described as the company's capability to accomplish operational and strategic goals efficiently and effectively. The assessment was carried out using **financial ratio analysis**, which consisted of:

1. **Liquidity Ratio** (*Current Ratio*) evaluates a company's capability to fulfill its short-term obligations. A value of >2 indicates a healthy financial condition.
2. **Solvency Ratio** (*Debt to Equity Ratio*) assesses the percentage of funding by debt to equity. Values that are too high indicate increased financial risk.
3. **Profitability Ratio** (*Net Profit Margin*) measures the effectiveness of a company in producing profits from sales. A high ratio shows the effectiveness of operations and great profit potential.
4. **Activity Ratio** (*Total Assets Turnover*) demonstrates how well asset utilization in generating income. This ratio is important for assessing post-IPO operational efficiency.

By integrating these theoretical and indicator approaches, the purpose of this research is to assess the influence of IPOs on changes in the company's financial performance in the perspective of agency conflicts and the effectiveness of public fund management.

Financial Ratio Analysis

Financial ratios are computed by dividing a quantity by another so that the figures in financial statements may be compared. One component inside one financial statement or among elements that are present in financial statements can be compared (Kasmir, 2019:104). According to Ermaini *et al.*, (2021:98) Financial ratios are an analytical tool for elucidating specific relationships between elements in a financial statement. Ratio analysis is a technique for assessing a company's financial health which connects two numbers from the balance sheet, profit and loss, or a composite of the two financial statements.

Conceptual Framework

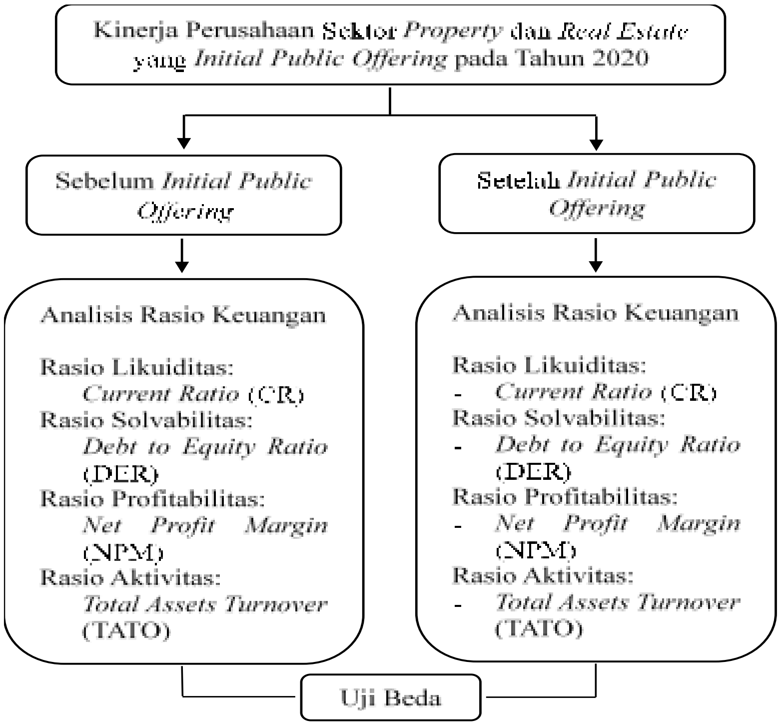

Figure 3. Conceptual Framework

Research Hypothesis

1. Liquidity Ratio Comparison Before and After IPO

The capability of a company to fulfill its short-term obligations is gauged by the current ratio, where an increase after an IPO indicates effective utilization of IPO proceeds to boost current assets. From an agency theory perspective, a rising current ratio reflects alignment between management (agent) and shareholders (principal), indicating that management is effectively minimizing short-term financial risks. Conversely, a declining current ratio may signal agency conflicts due to suboptimal fund management. Several studies—such as those by Permana & Marwardika (2022), Rudianto (2021), Lubis (2021), Arif et al. (2021), Anjani et al. (2023), and Cahyani & Suhadak (2017)—support the finding that the current ratio significantly improves post-IPO, indicating a positive change in liquidity performance.

H1: The current ratio before and after the Initial Public Offering differs significantly.

2. Solvency Ratio Comparison Before and After IPO

The debt to equity ratio determines what proportion of a company's funding originates from debt as opposed to equity held by shareholders.. A decrease in DER after an IPO is considered favorable, as it indicates reduced reliance on debt due to increased equity from IPO proceeds. In the context of agency theory, a declining DER reflects management's alignment with shareholder interests by strengthening capital structure and reducing financial risk. Conversely, an increasing DER post-IPO may indicate agency conflicts due to excessive risk-taking. Empirical studies by Ritha & Kurniasari (2021), Arif et al. (2021), Khan (2020), Yusmaniarti et al. (2020), Rudianto (2021), and Anjani et al. (2023) support the finding that DER generally declines after IPO, suggesting a significant improvement in solvency performance.

H2: The debt-to-equity ratio before and after the Initial Public Offering differs significantly.

3. Profitability Ratio Comparison Before and After IPO

The net profit margin is employed to assess a capacity of the company to produce net income from its sales. An increase in NPM after an IPO is considered favorable, as it indicates efficient use of IPO funds to enhance assets, boost production, and ultimately raise profitability. In agency theory terms, rising NPM reflects management's alignment with shareholder interests by increasing firm value, while declining NPM may signal mismanagement of IPO funds and potential agency conflicts. Empirical evidence from research conducted by Chumaidi et al. (2020), Fittriana et al. (2020), Hutabarat (2018), Fitricia & Warsitasari (2024), and Fauzian et al. (2024) shows significant improvements in NPM post-IPO, supporting the hypothesis of enhanced profitability performance after going public.

H3: The net profit margin before and after the Initial Public Offering differs significantly.

4. Activity Ratio Comparison Before and After IPO

Total assets turnover gauges how well a company makes use of its resources to produce income. A rise in TATO after an IPO suggests improved asset utilization and effective use of IPO funds to boost sales, while a decline indicates inefficiency and the need for managerial strategy evaluation. From the lens of agency theory, an increase in this ratio reflects alignment between management and shareholders' goals, as it shows that assets acquired through IPO funds are used productively. Conversely, a declining TATO may signal resource mismanagement and potential agency conflicts. Empirical studies by Zuhra & Syafrina (2023), Yuliarni et al. (2016), and Hartono & Djawoto (2020) provide evidence of both positive and negative changes in TATO post-IPO, indicating significant differences in asset efficiency before and after going public.

H4: The total assets turnover before and after the Initial Public Offering differs significantly.

METHODOLOGY

Research Design

This study adopts a quantitative approach with a comparative research design, which aims to examine the differences in one or more variables across different samples or time periods (Sugiyono, 2020). The research compares the financial ratios current ratio, debt to equity ratio, net profit margin, and total assets turnover before and after IPO in property and real estate companies listed on the IDX in 2020.

Research Location

The research focused on real estate and property firms that were listed on the Indonesia Stock Exchange. that have conducted IPOs and whose financial reports are publicly available through www.idx.co.id and the official websites of the corresponding companies.

Research Object

The focus of this research is the financial performance of property and real estate companies, evaluated using four key financial ratios:

- **Liquidity** (Current Ratio),
- **Solvency** (Debt to Equity Ratio),
- **Profitability** (Net Profit Margin),
- **Activity** (Total Assets Turnover), before and after the IPO event in 2020.

Research Variables

1) **Variable Identification**

The main research variables are financial ratios used to measure company performance, comprising:

- **Liquidity Ratio**: proxied by **Current Ratio**,
- **Solvency Ratio**: proxied by **Debt to Equity Ratio**,
- **Profitability Ratio**: proxied by **Net Profit Margin**,
- **Activity Ratio**: proxied by **Total Assets Turnover**.

Population, Sample, and Sampling Method

Population refers to generalization area made up of objects or subjects with particular attributes and traits that the researcher has specified to be studied and conclusions made (Sugiyono, 2020:126). In this study the population includes all property and real estate companies that conducted an IPO in 2020.

The sampling method employed in this study is non-probability sampling using a method for saturated sampling. The technique known as saturated sampling uses every member of the population as a sample, especially when the population size is relatively small (less than 30 entities) (Sugiyono, 2020:133). A sample is defined as a subset of the population that possesses the same characteristics as the population (Sugiyono, 2020:127).

The study sample includes all 12 property and real estate companies that conducted IPOs in 2020 and have comprehensive financial statements available for two years before (2018–2019) and two years after (2021–2022) the IPO.

The companies selected as samples in this research are as follows:

Table. 1 Companies in the Property and Real Estate Sector that are Reasearch Samples

No.	Company Name	Stock Code	IPO Date
1.	PT. Royalindo Investa Wijaya Tbk.	INDO	13/01/2020
2.	PT. Perintis Triniti Properti Tbk.	TRIN	15/01/2020
3.	PT. Diamond Citra Propertindo Tbk.	DADA	14/02/2020
4.	PT. Andalan Sakti Primaindo Tbk.	ASPI	17/02/2020
5.	PT. Makmur Berkah Amanda Tbk.	AMAN	13/03/2020
6.	PT. Karya Bersama Anugerah Tbk.	KBAG	08/04/2020
7.	PT. Bumi Benowo Sukses Sejahtera Tbk.	BBSS	15/04/2020
8.	PT. Pakuan Tbk.	UANG	06/07/2020
9.	PT. Puri Global Sukses Tbk.	PURI	08/09/2020
10.	PT. Rockfields Properti Indonesia Tbk.	ROCK	10/09/2020
11.	PT. Grand House Mulia Tbk.	HOMI	10/09/2020
12.	PT. Trimitra Prawara Goldland Tbk.	ATAP	11/12/2020

Type and Source of Data

This research makes use of quantitative data. Quantitative data refers to information that is measured on a numerical scale (Paramita et al., 2021:71). The quantitative data in this research belong financial figures such as current assets, current liabilities, total liabilities, total equity, net income, sales, and total assets. The study's data source uses secondary data. Secondary data refers to information that has been gathered by data-gathering institutions and published for public use (Paramita et al., 2021:72). In this research, the secondary data consists of financial statements from property and real estate companies that conducted IPOs in 2020. The data was obtained indirectly through intermediary sources, primarily from the official website of the IDX and the official websites of the relevant companies.

Data Collection Method

This research uses a **non-participant observation method** to collect data. Non-participant observation is a method where the researcher observes or collects data without directly being involved in the activity being studied (Sugiyono, 2020:204). In this study, the observed data belong historical financial reports, descriptions from books and scientific articles, and archives from relevant sources such as the IDX website and the official websites of the respective companies.

Data Analysis Techniques

This research employs a **comparative test method** to assess the financial performance of property and real estate companies using current ratio, debt to equity ratio, net profit margin, and total asset turnover before and after the 2020 IPO. The following are the steps involved in data analysis:

1) Descriptive Statistical Analysis

Descriptive statistical analysis is used to describe or illustrate the data as it is, without making general conclusions (Sugiyono, 2020:206). Descriptive statistics provide information such as minimum value, maximum value, mean, and standard deviation for each financial ratio before and after the IPO.

2) Inferential Statistical Analysis

Inferential statistical analysis looks at data from a sample and uses that to make predictions or draw conclusions about the whole group it represents (Sugiyono, 2020:207). In this research, inferential statistics are used to test data normality and hypotheses.

1. Normality Test

The normality test determines whether the data distribution for each variable is normal (Utama, 2016:99). This research uses the Shapiro-Wilk test due to the small sample size. Parametric tests are employed if the data is regularly distributed and non-parametric testing are used otherwise.

- The data is normally distributed if the significance value is greater than 0.05.
- The data is not normally distributed if the significance value is less than 0.05 (Nasrum, 2018:57).

2. Hypothesis Testing

A hypothesis is a provisional answer to the research issue expressed in the form of a question (Sugiyono, 2020:99). The choice of hypothesis test depends on the result of the normality test:

- The Paired Sample T-Test (parametric) is employed if the data is regularly distributed.
- The Wilcoxon Signed Rank Test (non-parametric) is employed if the data is not regularly distributed.

a) Paired Sample T-Test

This test examines variations between two similar samples or compares mean differences before and after treatment (Leon et al., 2023:117). It is applicable when data is normally distributed.

Decision rules:

- If **Asymp. Sig < 0.05**, reject H_0 and accept H_a.
- If **Asymp. Sig > 0.05**, accept H_0 and reject H_a.

b) Wilcoxon Signed Rank Test

This test analyzes paired data due to two different conditions or to compare observations before and after an event (Utama, 2016:19). It is used when data is not normally distributed.

Decision rules:

- If **Asymp. Sig < 0.05**, reject H_0 and accept H_a.

- If **Asymp. Sig > 0.05**, accept H_0 and reject H_a.

RESULTS

General Overview of Research Location or Scope

This research examines the differences in financial performance of companies in the property and real estate sector before and after completing an IPO in 2020 on the IDX, using secondary data obtained from IDX for the period 2018–2022. The IDX is the institution that regulates and offers systems and facilities, including access to financial reports, for facilitating the trading of securities.

The research location includes companies in the property and real estate sector that went public in 2020 on the Indonesia Stock Exchange. This sector is one of the industrial sectors listed on the IDX. Property and real estate companies are entities engaged in the development, management, and trade of property or real estate, which includes land and buildings along with all permanent facilities attached to them. Products generated by this sector include housing, apartments, shop houses, office buildings, shopping centers, and more.

Financial performance is determined by analyzing the company's financial statements. The financial ratios analyzed in this study include CR, DER, NPM, and TATO. A total of 12 companies in the property and real estate sector were used as the research sample, selected through a saturated sampling method.

Descriptive Statistical Analysis

Descriptive statistics summarize the company's financial performance using four key ratios: Current Ratio, Debt to Equity Ratio, Net Profit Margin, and Total Assets Turnover. These indicators are analyzed to describe the central tendency and dispersion through the mean, minimum, maximum, and standard deviation of financial performance before the IPO.

This analysis offers a summary of how the companies in the property and real estate sector performed financially prior to going public in 2020, serving as a baseline for comparison with post-IPO performance.

Table. 2 Descriptive Statistical Test Results before IPO

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
CR_Before	12	79,62	2.920,16	627,0783	1038,69077
DER_Before	12	-447,33	2.852,85	216,3300	867,52817
NPM_Before	12	-15,31	8.042,90	794,5508	2.316,39725
TATO_Before	12	0,16	106,35	26,9092	29,62988
Valid N (listwise)	12				

Source: Appendix 3, secondary data (processed data), 2025

The descriptive statistics before IPO show high variability across all financial ratios. The Current Ratio averaged 627.08, with a minimum of 79.62% (ROCK) and a maximum of 2,920.16% (ASPI), indicating diverse short-term liquidity levels. The Debt to Equity Ratio had a mean of 216.33, ranging from -

447.33% (KBAG, due to negative equity) to 2,852.85% (PURI). The Net Profit Margin averaged 794.55, with extreme values from -15.3% (ASPI) to 8,042.90% (INDO), reflecting uneven profitability. Lastly, the Total Assets Turnover averaged 26.91, ranging from 0.16% (INDO) to 106.35% (ATAP), showing variations in asset efficiency. Overall, financial performance before IPO varied significantly among firms.

Table. 3 Descriptive Statistical Test Results after IPO

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
CR_After	12	68,01	42.661,93	4.174,7250	12.159,02065
DER_After	12	-2.619,45	204,19	-160,9250	776,49103
NPM_After	12	-886,53	213,80	-111,0583	298,96314
TATO_After	12	0,37	48,20	12,8917	13,38394
Valid N (listw (Ctrl)					

Source: Appendix 3, secondary data (processed data), 2025

The descriptive statistics after the IPO reveal significant variations in financial performance. The Current Ratio averaged 4,174.73, with a wide range from 68.01% (UANG) to 42,661.93% (INDO), showing highly uneven liquidity. The Debt to Equity Ratio had a negative average of -160.93, ranging from -2,619.45% (UANG) to 204.19% (TRIN), due to negative equity in some firms. The Net Profit Margin also showed a negative average of -111.06, with values spanning from -886.53% (TRIN) to 213.80% (INDO), reflecting poor profitability in several companies. Meanwhile, the Total Assets Turnover averaged 12.89, with a range between 0.37% (UANG) and 48.20% (ATAP), indicating varying levels of asset efficiency. Overall, post-IPO financial metrics display high dispersion and performance inconsistency among firms.

Normality Test

The objective of the normalcy test was to ascertain if the financial ratio data are normally distributed. The **Shapiro-Wilk test** was employed due to the small sample size. The data analyzed consisted of the average values from two years before and two years after the IPO. A normal distribution is shown by a p-value greater than 0.05, and non-normality is shown by a p-value less than 0.05. The outcomes of the Shapiro-Wilk test for each financial ratio variable are presented in Table 4.3, which determines whether parametric or non-parametric tests will be employed for more analysis.

Table. 4 Data Normality Test Results

Variabel	Periode	Kolmogorov-Smirnov			Shapiro-Wilk			Keterangan
		Statistic	df	Sig.	Statistic	df	Sig.	
Current Ratio	Before the IPO	.424	12	.000	.543	12	.000	Abnormal
	After the IPO	.440	12	.000	.381	12	.000	Abnormal
Debt to Equity Ratio	Before the IPO	.389	12	.000	.593	12	.000	Abnormal
	After the IPO	.499	12	.000	.397	12	.000	Abnormal
Net Profit Margin	Before the IPO	.463	12	.000	.404	12	.000	Abnormal
	After the IPO	.369	12	.000	.708	12	.001	Abnormal
Total Assets Turnover	Before the IPO	.291	12	.006	.774	12	.005	Abnormal
	After the IPO	.247	12	.041	.811	12	.012	Abnormal

Source: Appendix 4, secondary data (processed data), 2025

According to Table 4, the Shapiro-Wilk test results show that all variables—current ratio, debt to equity ratio, net profit margin, and total assets turnover—both before and after the IPO have significance values below 0.05, suggesting that none of the data are normally distributed. Specifically, all p-values range from 0.000 to 0.012, confirming non-normal distribution across all variables. Therefore, the hypothesis testing must proceed employing a non-parametric method, the Wilcoxon Signed Rank Test.

Hypothesis Testing

In this study, testing hypotheses was executed using the Wilcoxon Signed Rank Test because of the data's non-normal distribution. The interpretation of Asymp. Sig. (2-tailed) value serves as the basis for the test outcomes. When the p-value exceeds 0.05, then it is decided to accept the null hypothesis (H0), showing no significant difference in the company's financial performance before and after the IPO. Conversely, when the p-value is less than 0.05, then H0 is turned down, meaning there is a significant difference in financial performance between the two periods.

1) Current Ratio

Table. 5 Wilcoxon Signed Rank Test Current Ratio

Variabel	Z	*Asymp. Sig.* (2-*tailed*)	Description
Current Ratio	-1,255	0.209	No different

Source: Appendix 5, secondary data (processed data), 2025

According to Table 5, the outcomes of the Wilcoxon Signed Rank Test indicates a Z-value of -1.255. The Asymp. Sig. (2-tailed) value is 0.209, which is greater than 0.05 (0.209 > 0.05). Therefore, H1 is is turned down, showing that the current ratio before and after the IPO did not significantly change for property and real estate companies that executed IPOs in 2020 on the IDX.

2) Debt to Equity Ratio

Table. 6 Wilcoxon Signed Test Rank to Equity Ratio

Variabel	Z	*Asymp. Sig.* (2-*tailed*)	Description
Debt to Equity Ratio	-0,549	0.583	No different

Source: Appendix 5, secondary data (processed data), 2025

According to Table 4.5, the outcomes of the Wilcoxon Signed Rank Test indicates a Z-value of -0.549. The Asymp. Sig. (2-tailed) value is 0.583, which is greater than 0.05 (0.583 > 0.05). Therefore, H2 is turned down, indicating that the debt to equity ratio before and after the IPO did not significantly change for property and real estate companies that executed IPOs in 2020 on the IDX.

3) Net Profit Margin

Table. 7 Wilcoxon Signed Test Rank Net Profit Margin

Variabel	Z	*Asymp. Sig.* (2-*tailed*)	Description
Net Profit Margin	-2,353	0.019	Different

Source: Appendix 5, secondary data (processed data), 2025

According to Table 7, the outcomes of *the Wilcoxon Signed Rank Test* indicates a Z value of -2.353. *Asymp. Sig.* (2-tailed) shows a result of 0.019 less than 0.05 (0.019 < 0.05). In light of these findings, it can be argued that H3 was accepted and showed that there was a difference in the value of net profit margin before and net profit margin after IPO in property and real estate sector companies that carried out IPO in 2020 on the IDX.

4) Total Assets Turnover

Table. 8 Wilcoxon Signed Test Rank Total Assets Turnover

Variabel	Z	*Asymp. Sig.* (2-*tailed*)	Description
Total Assets Turnover	-2,118	0.034	Different

Source: Appendix 5, secondary data (processed data), 2025

According to Table 8, the outcomes of the *Wilcoxon Signed Rank Test* indicates a Z value of -2.118. *Asymp. Sig.* (2-tailed) shows a result of 0.034 less than 0.05 (0.034 < 0.05). In light of these findings, it can be argued that H4 was accepted and showed that there was a distinction in the value of total assets turnover before and total assets turnover after IPO in property and real estate sector companies that carried out IPOs in 2020 on the IDX.

DISCUSSION

This research examined differences in financial performance before and after IPOs among the real estate and property firms included in 2020, using four financial ratios: Current Ratio, Debt to Equity Ratio, Net Profit Margin, and Total Assets Turnover. The results show CR and DER did not significantly change, despite descriptive increases and decreases, respectively. This implies IPO funds did not substantially impact liquidity or capital structure. In contrast, NPM and TATO showed significant post-IPO declines, indicating weakened profitability and operational efficiency, possibly due to ineffective fund utilization and the economic disruption from the COVID-19 pandemic. These findings highlight agency issues where managers may not have used IPO proceeds in shareholders' best interests. The study aligns with prior research showing mixed impacts of IPOs on financial performance.

CONCLUSIONS AND RECOMMENDATIONS

This outcomes analyzed the financial performance differences of property and real estate companies in Indonesia before and after their IPOs in 2020 using four financial ratios: CR, DER, NPM, and TATO. The results indicating that CR and DER did not differ significantly, indicating no substantial changes in liquidity or capital structure post-IPO. However, NPM and TATO showed significant declines, suggesting decreased profitability and asset efficiency after IPO. These findings imply that IPO funds were not effectively used to improve financial performance.

Suggestions: Companies should optimize IPO funds for long-term debt reduction and improve financial monitoring. Investors should carefully assess financial ratios before investing.

FURTHER STUDY

Further study is encouraged to use updated data, broader financial indicators for deeper insights, and extend the observation period to provide in-depth information on long-term changes in financial performance. Further study is expected to provide more complex theoretical and practical contributions to understanding the implications of IPOs on corporate financial performance.

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