



Leverage factors in cement companies before and within the Covid-19 Pandemic (Case study on cement companies registered on the Indonesian Stock Exchange)

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ABSTRACT

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In March 2020 WHO (World Health Organization) announced that COVID-19 had become a global pandemic. The pandemic has made people aware instantly of the importance of medicines, medical devices and health workers. This research will focus on looking at the Leverage factor in health cement companies listed on the Indonesia Stock Exchange before and within the Covid-19 pandemic. The period before the occurrence of the Covid-19 pandemic was in the 1st quarter of 2019 to the 1st quarter of 2020, while the period when the Covid-19 pandemic occurred was carried out until the 1st quarter of 2021. The 1st quarter of 2020 will be used as the basis or point 0 in research because in March 2020 was declared the start of the Covid-19 pandemic in Indonesia. During the COVID-19 pandemic, not a single cement company listed on the Indonesia Stock Exchange experienced an increase in financial performance. Trend analysis graphs of the company's average DAR, DER and TIER show a positive trend (increase). Overall, all cement companies studied experienced increased Leverage or worsened conditions during the COVID-19 pandemic. Or in other words, the Leverage factor for cement companies before the COVID-19 pandemic occurred was better than within the COVID-19 pandemic. That suggestion for this study is for cement companies to always pay attention to their leverage factor which in this study is proxied at DAR, DER, and TIER. Suggestions for other researchers should able in terms of completing research time and add other financial ratios.

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1. INTRODUCTION

In the early days of Covid 19, the world was worried about the virus outbreak. Whether it's concerns about the state of health, industry, trade, agriculture and other activities (Nayak et al., 2022; Qingbin et al., 2020). Because Covid 19 spread quickly from China to other countries, including Indonesia, it experienced a very devastating impact, especially in

health (Almeida et al., 2020; Kontoangelos et al., 2020; Sheridan Rains et al., 2021). Apart from the impact on health, Covid 19 also has an impact on industry, one of which is the Indonesian cement industry which is experiencing its impact because during the Covid 19 pandemic many companies went out of business (Gunawan et al., 2022; Hansa & Ridaryanto, 2024; Purwanto, 2020). However, in this case there are still many companies trying to keep their companies standing even during the Covid 19 period. The impact of Covid 19 on cement entities listed on the IDX will feel that consequences of that Covid 19 outbreak, due to government regulations prohibiting social interaction outside the room affecting work in the company and sales of cement in Indonesia. Due to social restrictions, many activities have been delayed, including development and trade (Liu et al., 2022; Obayelu et al., 2021; Saif et al., 2021).

According to shareok.com, in <https://eprints.umk.ac.id>, there is a list of cement sub-sector companies listed on the IDX as The list comprises six companies operating within the cement subsector and listed on the Indonesia Stock Exchange (IDX). These include Indocement Tungal Prakarsa Tbk, which was listed on December 5, 1989, followed by Semen Baturaja (Persero) Tbk on June 28, 2013, and Holcim Indonesia Tbk on August 10, 1997. Additionally, Semen Indonesia (Persero) Tbk joined the market on July 8, 1991, while Waskita Beton Precast Tbk was listed on September 20, 2016, and Wijaya Karya Beton Tbk on April 8, 2014. Each of these companies plays a significant role within the cement industry, contributing to the construction sector's development and economic growth in Indonesia.

According to several cement companies in Indonesia, one of the impacts of Covid 19 will be explained on Indonesian cement companies, namely PT Semen Indonesia Tbk (Persero) Tbk. PT Semen Indonesia Tbk (Persero) Tbk (SIG) that the company's business activities and financial condition are still well maintained amid the Covid-19 pandemic. Quoting from between news.com according to SIG's Finance Director named Dody Sulasmono Diniawan explained that apart from maintaining the domestic cement market, SIG continues to boost sales through the export market. Even though the covid 19 pandemic has had a large and comprehensive influence on all levels of Indonesian society, the Company has implemented various strategies to maintain performance amidst the pandemic. indeed there is no business sector that is free from the impact of this pandemic, but the cement industry is still able to survive with a not too significant decline in performance. SIG does not plan to postpone obligations or carry out loan restructuring. Until now, all obligations that are due have been paid according to schedule. that cement in Indonesia, especially PT Semen Indonesia Tbk (Persero) Tbk (SIG) can solve financial problems even though there is a slight decline in performance but it can be handled and there are no loans to cover shortages during the Covid 19 period. Because SIG has adequate liquidity conditions and is still have sufficient standby facility to be used at any time. Source: <https://www.antaraneews.com/berita/1477347/> continues to boost exports, maintain performance during a pandemic.

There is no business sector that is free from the impact of this pandemic, but the cement industry is still able to survive with a not very significant decline in performance, PT Semen Indonesia Tbk (Persero) Tbk (SIG) stated that the company's business activities and financial condition were still well maintained in amidst the COVID-19 pandemic. Apart from maintaining the domestic cement market, SIG continues to boost sales through the export market. Throughout the first quarter of 2020, SIG's domestic sales reached 7.9 million tons, an increase of 4.7 percent compared to the first quarter of 2019. Meanwhile, SIG's total exports from Indonesia reached 1.0 million tons, a growth of 23.2 percent compared to the previous year, almost all industries affected by COVID-19, but the company was able to record optimal sales performance, the company implemented various strategies to maintain performance amid the current pandemic, the COVID-19 pandemic has had a large and comprehensive impact on all levels of Indonesian society. In the first quarter of 2020 national cement consumption was recorded at 14.9 million tons, a

decrease of 4.9 percent compared to the same period in 2019. There is no business sector that is free from the impact of this pandemic, but the cement industry is still able to survive with a decline in performance which is not very significant.

The Company is also committed to fulfilling financial obligations to its business partners, which include suppliers, banking creditors, and investors, properly and on time. SIG has no plans to postpone obligations or carry out loan restructuring. Until now, all maturing obligations have been paid according to schedule, SIG has adequate liquidity conditions and still has sufficient standby facility to be used at any time. Source: (*Dirkeu: Semen Indonesia Terus Genjot Ekspor, Jaga Kinerja Saat Pandemi*, 2020)

Recovery Period After the covid 19 (2021) period, it was proven that Indocement increased domestic sales by 4.9 percent. PT. Indocement Tunggal Prakarsa Tbk (Indocement) managed to record a total domestic (cement and clinker) sales volume of 12.7 million tons per Quarter III/2021, an increase of 594.8 thousand tons or +4.9 percent from the same period last year then, the domestic volume specifically for cement products was recorded at 12.0 million tons, 328.4 thousand tons higher or +2.8 percent so that the Company's market share was 25.5 percent for Quarter III/2021, the sales volume of the Company or Indocement outside Java grew +9.2% with a market share of 15.6% higher than Java by +0.5% with a market share of 34.1%.

The increase outside Java mainly occurred in Sulawesi with sales volume growth of +48.0% with a market share of 9.3%. This condition was supported by growth in bulk products from the smelter project in Konawe, followed by sales growth in Kalimantan by +12.7% with a market share of 21.0% and Sumatra by +9.5% with a market share of 13.0%. The Company's Net Revenue increased +4.5% to IDR 10,608.7 billion vs. Quarter III/2020 of IDR 10,149.6 billion due to higher overall sales volume +6.9%. Cost of Revenue increased -4.5% from Rp-6,712.1 billion to Rp-7,016.4 billion following the growth in sales volume. The company managed to reduce production costs by increasing sales volume, despite higher coal prices. This is due to continuous efforts to increase alternative fuels and low calorific value (LCV) coal, as well as the most efficient kiln operation, lower distribution costs and efficiency in selling and administration costs. The level of alternative fuel composition in Quarter III/2021 increased to 11.8% from full year 2020 which was 9.3%, and the LCV coal usage rate was at 88% in Quarter III/2021 from full year 2020 which was 80%.

The percentage of gross profit margin was maintained at 33.9% with an increase in the value of the Rupiah by +4.5% from IDR 3,437.5 billion to IDR 3,592.3 billion. Operating Income margin increased 230bps from 11.0% to 13.3% and EBITDA margin increased 250bps from 19.8% to 22.3%. The Company recorded a lower Financial Income-Net of -52.0% from IDR 235.2 billion in Q3/2020 to IDR 112.8 billion due to the increase in interest rates which was lower than the progressive interest rate reduction by Bank Indonesia since last year. Profit for the Period increased +8.2% to IDR 1,208.3 billion in Q3/2021 vs. Rp1,116.7 billion from the same period last year.

The Company posted a net cash position with Cash and Cash Equivalents of IDR 6.8 trillion as of 30 September 2021. Strong cash flow generated from operations and management's persistent efforts to increase working capital is key to maintaining the Company's strong balance sheet. Total Dividend Payment for 2020 is IDR 725/share with an Interim Dividend distributed in December 2020 of IDR 225/share and from the July 2021 Annual General Meeting of Shareholders of IDR 500/share distributed in August 2021. With a strong Balance Sheet Position and no bank debt, Indocement has remained resilient during the current economic recovery and from the ongoing cement industry oversupply conditions, including participation in possible future consolidation of the cement industry.

Continued stronger recovery After the big wave of the COVID-19 pandemic in July, we appreciate the Government's successful steps to control the spread of COVID-19 accompanied by higher vaccination rates (Dhama et al., 2021; Hong, 2022; Weintraub et

al., 2021). As a result, we have seen a progressive economic recovery as the Government gradually eases restrictions, having a positive impact on construction activities in addition to year-end budget spending on infrastructure and commercial projects, including some incentive benefits for the housing sector (VAT on new homes, interest rates lower levels, and relaxation of LTV/FTV), but factors related to the weather need to be looked at because there will be more rainfall from the arrival of La Nina" (Halimatussadiyah et al., 2020; Rela et al., 2022; Sanchez & Pain, 2022).

With high energy prices especially in the recent high volatility of coal prices, Indocement started increasing cement prices to sustain some of our rising production costs but we continue to have to balance this with the fluctuations in our market share as well in the market (Gore & Lutes, 2011; Manika et al., 2017).

For 2021 as a whole, we remain positive about domestic cement consumption growing by 4.0% to 4.5%. On the cost side, Indocement continues to focus on cost control, efficient operations and digital transformation across the business. Source: <https://kalsel.antaranews.com/berita/293789/indocement-dindingkan-penjualan-domestik-49-persen>

The following is a DAR, DER, TIER data table and graph for 2019, 2020, 2021 the trend in three significant financial ratios - Debt-to-Assets Ratio (DAR), Debt-to-Equity Ratio (DER), and Times Interest Earned Ratio (TIER) - across the years 2019, 2020, and 2021, denominated in Indonesian Rupiah (Rp). Over this period, there is a discernible pattern of changes in these ratios. Specifically, the DAR shows a gradual increase from Rp 1,155,818,840,000 in 2019 to Rp 1,297,649,714,000 in 2021, indicating a rising proportion of debt relative to assets. Similarly, the DER demonstrates a notable escalation from Rp 2,755,284,386,000 in 2019 to Rp 4,976,296,241,000 in 2021, implying higher reliance on debt financing compared to equity. In contrast, the TIER depicts a decline from Rp 7,938,195,844,000 in 2019 to Rp 2,305,224,229,000 in 2021, suggesting a reduction in the company's ability to cover interest expenses with its earnings. These trends collectively signify a deteriorating financial position and heightened leverage for the examined cement companies throughout the specified timeframe, likely influenced by various economic factors, including the impact of the COVID-19 pandemic.

The aim of this research is In stipulation leverage factor of cement companies before and within the COVID-19 pandemic based on trend analysis of DAR, DER, TIER. To find out the Leverage factor of cement companies before and within the COVID-19 pandemic based on DAR, DER, TIER analysis

2. METHODS

Types of research

This research is a qualitative descriptive research, which is a type of research to examine an object in the present with the aim of making a description, picture, or painting in a systematic, factual, and accurate manner regarding the facts, as well as the relationship between the phenomena being investigated (Colorafi & Evans, 2016; Kim et al., 2017; Stanley, 2014). In this study, the research results in the form of numerical calculations presented in tables and graphs can be described and explained properly so that they are easier to understand.

Types, Sources, and Data Collection Methods

In this study, the types of data used are quantitative data and qualitative data. Quantitative data in this study are Leverage data for quarter 1 of 2019 to quarter 1 of 2021 for the companies studied. Qualitative data in this study are information about the company or company profile such as history, operational activities, and the vision and mission of the transportation company under study.

Secondary data is employed, which refers to information obtained from sources other than the original data collectors themselves, such as through other persons or written records (Sugiyono, 2016, 2017, 2019)). The method used in collecting data for this study is documentation, namely data collection in the form of company documents. The author conducted a data search by retrieving data from the official website of PT. Indonesia stock exchange.

Population and sample

The population in this study is the financial statements of cement companies listed on the Indonesia Stock Exchange during the 1st quarter of 2019 to 1st quarter of 2021. The population of companies registered with cement companies is as follows:

Table 1. Cement Company Population

Sector	Code	Company name
Semen	INTP	Indocement Tunggal Prakasa Tbk
Semen	SMBR	Semen Baturaja (Persero) Tbk
Semen	SMCB	Solusi Bangun Indonesia Tbk
Semen	SMGR	Semen Indonesia (Persero) Tbk
Semen	WSBP	Waskita Beton Precast Tbk
Semen	WTON	Wijaya Karya Beton Tbk

Sumber: *sahamok.com*

The criteria for selecting a cement company are as follows: (a) Listed on the Indonesia Stock Exchange during the research period. (b) Companies that have complete financial statement data during the study period. (c) Data and financial reports that have been audited. Based on the above criteria, the 6 (six) companies met the sampling criteria because they had complete financial report data during the study period.

Data Analysis Methods and Process

In answering the existing problem formulation, the author will process company data into calculations of financial ratios. The financial ratios used in this study are leverage ratios consisting of Debt to Asset Ratio (DAR), Debt to Equity Ratio (DER), Time Interest Earned Ratio (TIER). Furthermore, the results of data calculations using financial ratios will be calculated using trend analysis in percentages. The data that has been processed through the calculation of leverage ratios and through the calculation of trend analysis, will produce information in the form of figures in percentage form. These results will then be presented in the form of tables and graphs, which will be accompanied by a more detailed descriptive explanation to make it easier to understand.

3. RESULTS AND DISCUSSION

Leverage Factor Calculation and Trend Analysis of the Cement Sector

The Leverage ratio is a ratio to assess a company's ability to fund its operations and to be able to return its current liabilities. The Leverage-profitability ratios used in this study are Debt to Asset Ratio (DAR), Debt to Equity Rayio (DER), and Tiem Interest Earned Ratio (TIER), as shown in the following trends

Table 2. Trend DAR

Stoc k Code	Qu arte rly	Financial StatementYear 2019			Financial StatementYear 2020			Financial StatementYear 2021		
		x	y	z	x	y	z	x	y	z
INTP	Tri I	3,925,225	27,543,5 28	0.142509 885	3,898,91 5	27,381, 603	0.142391 773	4,804,2 27	27,332,06 2	0.175772 578

	Tri 2	4,016,214	25,852,8 69	0.155348 871	3,499,25 3	27,037, 394	0.129422 717	4,594,1 04	27,357,17 6	0.167930 491
	Tri 3	4,006,517	26,378,8 71	0.151883 566	3,992,72 3	26,337, 588	0.151597 899	4,706,8 67	26,256,52 1	0.179264 686
	Tri 4	4,627,488	27,707,7 49	0.167010 608	5,168,42 4	27,344, 672	0.189010 276	5,515,1 50	26,136,11 4	0.211016 450
SMBR	Tri I	2,001,341, 738	5,475,89 4,176	0.365482 179	2,245,43 9,977	5,650,8 92,770	0.397360 217	2,452,1 54,446	5,875,490, 655	0.417353 135
	Tri 2	2,126,591, 870	5,582,35 0,664	0.380949 173	2,281,83 4,085	5,609,6 69,373	0.406768 017	2,350,6 78,629	5,756,161, 561	0.408376 069
	Tri 3	2,138,498, 120	5,606,17 0,958	0.381454 318	2,387,05 8,641	5,738,7 58,417	0.415953 847	2,398,9 94,321	5,815,918, 364	0.412487 619
	Tri 4	2,088,977, 112	5,571,27 0,204	0.374955 268	2,329,28 6,953	5,737,1 75,560	0.405998 898	2,351,5 01,098	5,817,745, 619	0.404194 554
SMCB	Tri I	12,574,55 5	18,866,3 49	0.666507 070	12,416,8 15	19,476, 250	0.637536 230	13,579, 068	21,106,23 5	0.643367 612
	Tri 2	12,902,03 8	19,036,8 15	0.677741 418	12,431,2 67	19,504, 357	0.637358 463	13,033, 721	20,653,88 0	0.631054 359
	Tri 3	12,844,90 1	19,390,7 79	0.662423 155	12,883,4 12	20,255, 395	0.636048 421	10,100, 645	21,038,85 8	0.480094 737
	Tri 4	12,584,88 6	19,567,4 98	0.643152 538	13,171,9 46	20,738, 125	0.635156 071	10,309, 519	21,491,71 6	0.479697 340
SMGR	Tri I	43,948,90 8,106	77,964,0 24,166	0.563707 538	42,568,1 38	79,283, 912	0.536907 639	41,628, 560	78,427,24 6	0.530792 067
	Tri 2	45,063,93 4,002	76,983,2 21,895	0.585373 448	41,932,4 18	78,299, 047	0.535541 869	37,906, 347	75,027,73 1	0.505231 152
	Tri 3	47,635,75 2,070	80,596,0 81,893	0.591043 025	42,946,4 59	80,217, 435	0.535375 62	35,741, 236	76,609,20 0	0.466539 737
	Tri 4	43,915,14 3,000	79,807,0 67,000	0.550266 344	40,571,6 74	78,006, 244	0.520108 031	34,940, 122	76,504,24 0	0.456708 308
WSBP	Tri I	6,448,428, 229,943	14,621,9 18,489,7 63	0.441011 091	8,547,39 6,853,33 5	15,761, 933,330 ,770	0.542280 993	9,244,2 67,740, 331	10,384,73 2,113,871	0.890178 739
	Tri 2	6,994,607, 242,968	14,702,0 52,913,7 51	0.475757 181	8,444,61 9,100,60 1	15,358, 233,261 ,426	0.549843 133	9,196,5 53,645, 983	10,201,99 7,298,484	0.901446 391
	Tri 3	7,737,888, 134,017	15,580,3 28,109,8 85	0.496644 748	8,524,67 9,360,55 0	14,290, 650,010 ,607	0.596521 457	9,184,8 26,073, 092	10,061,53 6,311,444	0.912865 172
	Tri 4	8,014,571, 097,975	16,149,1 21,684,3 30	0.496285 263	9,400,12 1,261,15 9	10,557, 550,739 ,243	0.890369 508	9,660,6 06,347, 159	6,882,077, 282,159	1.403734 069
WTON	Tri I	5,546,977, 172,453	8,608,51 8,645,09 2	0.644359 082	6,411,34 3,454,91 5	9,620,0 99,122, 215	0.666452 952	4,174,6 23,938, 978	7,587,255, 841,721	0.550215 259
	Tri 2	5,694,867, 020,269	8,847,62 3,306,06 3	0.643660 656	5,865,54 5,396,91 9	9,168,9 00,774, 583	0.639721 766	3,954,2 36,740, 968	7,354,940, 916,147	0.537629 980
	Tri 3	5,853,545, 175,660	9,145,60 4,474,91 9	0.640039 179	5,946,17 2,076,40 6	9,265,7 08,385, 452	0.641739 609	5,057,4 01,276, 493	8,475,242, 237,930	0.596726 457
	Tri 4	6,829,449, 147,200	10,337,8	0.660622 795	5,118,44	8,509,0	0.601531 777	5,480,2	8,928,183, 492,920	0.613820 174

95,087,2 4,300,47 17,299, 99,148,
07 0 594 683

Data : Sumber diolah (2022)

Table 3. Trend DER

Stoc k Code	Qua rterl y	Financial StatementYear 2019			Financial StatementYear 2020			Financial StatementYear 2021		
		x	y	z	x	y	z	x	y	z
INTP	Tri 1	3,925,225	23,618,303	0.16619 4201	3,898,915	23,482,688	0.1660 33590	4,804,227	22,527,835	0.213257 377
	Tri 2	4,016,214	21,836,655	0.18392 0752	3,499,253	23,538,141	0.1486 63100	4,594,104	22,763,072	0.201822 671
	Tri 3	4,006,517	22,372,354	0.17908 3390	3,992,723	22,344,865	0.1786 86378	4,706,867	21,549,654	0.218419 609
	Tri 4	4,627,488	23,080,261	0.20049 5480	5,168,424	22,176,248	0.2330 61246	5,515,150	20,620,964	0.267453 549
SMBR	Tri 1	2,001,341,738	3,474,552,438	0.57599 9866	2,245,439,977	3,405,452,793	0.6593 66056	2,452,154,446	3,423,336,209	0.716305 468
	Tri 2	2,126,591,870	3,455,758,794	0.61537 6245	2,281,834,085	3,327,835,288	0.6856 81197	2,350,678,629	3,405,482,932	0.690262 931
	Tri 3	2,138,498,120	3,467,672,838	0.61669 5467	2,387,058,641	3,351,699,776	0.7121 93454	2,398,994,321	3,416,924,043	0.702091 791
	Tri 4	2,088,977,112	3,482,293,092	0.59988 5494	2,329,286,953	3,407,888,607	0.6834 98559	2,351,501,098	3,466,244,521	0.678400 235
SMCB	Tri 1	12,574,555	6,291,794	1.99856 4320	12,416,815	7,059,435	1.7588 96427	13,579,068	7,527,167	1.804007 803
	Tri 2	12,902,038	6,134,777	2.10309 8124	12,431,267	7,073,090	1.7575 44015	13,033,721	7,620,159	1.710426 383
	Tri 3	12,844,901	6,545,878	1.96228 8481	12,883,412	7,371,983	1.7476 18246	10,100,645	10,938,213	0.923427 346
	Tri 4	12,584,886	6,982,612	1.80231 7815	13,171,946	7,566,179	1.7408 98015	10,309,519	11,182,197	0.921958 270
SMGR	Tri 1	43,948,908,106	34,015,116,060	1.29204 0516	42,568,138	34,720,029	1.2260 39817	41,628,560	35,017,451	1.188794 696
	Tri 2	45,063,934,002	31,919,287,893	1.41180 8877	41,932,418	34,370,884	1.2199 9824	37,906,347	35,340,149	1.072614 238
	Tri 3	47,635,752,070	32,960,329,823	1.44524 5006	42,946,459	35,313,529	1.2161 47471	35,741,236	39,086,729	0.914408 468
	Tri 4	43,915,143,000	33,891,924,000	1.29574 0631	40,571,674	35,653,335	1.1379 48918	34,940,122	39,782,883	0.878270 235
WSBP	Tri 1	6,448,428,229,943	8,173,490,619,820	0.78894 4226	8,547,396,853,335	7,214,536,477,435	1.1847 46502	9,244,267,740,331	1,140,464,373,540	8.105704 97
	Tri 2	6,994,607,242,968	7,707,445,670,783	0.90751 3013	8,444,619,100,601	6,913,614,160,825	1.2214 47842	9,196,553,645,983	1,005,443,652,501	9.146761 853
	Tri 3	7,737,888,134,017	7,842,439,975,868	0.98666 8455	8,524,679,360,550	5,765,970,650,057	1.4784 46541	9,184,826,073,092	876,710,238,352	10.47646 722
	Tri 4	8,014,571,097,975	8,134,550,586,355	0.98525 0631	9,400,121,261,159	1,157,429,478,084	8.1215 49899	9,660,606,347,159	2,778,529,065,000	3.476877 917

	Tri 1	5,546,977, 172,453	3,061,541, 472,639	1.81182 4933	6,411,3 43,454, 915	3,208,7 55,667, 300	1.9980 77797	4,174,6 23,938, 978	3,412,63 1,902,74 3	1.223285 739
WTON	Tri 2	5,694,867, 020,269	3,152,756, 285,794	1.80631 3747	5,865,5 45,396, 919	3,303,3 55,377, 664	1.7756 32569	3,954,2 36,740, 968	3,400,70 4,175,17 9	1.162769 984
	Tri 3	5,853,545, 175,660	3,128,564, 468,382	1.87100 0337	5,946,1 72,076, 406	3,319,5 36,309, 046	1.7912 65865	5,057,4 01,276, 493	3,417,84 0,961,43 7	1.479706 439
	Tri 4	6,829,449, 147,200	3,508,445, 940,007	1.94657 3857	5,118,4 44,300, 470	3,390,5 72,999, 124	1.5096 10412	5,480,2 99,148, 683	3,447,88 4,344,23 7	1.589467 221

Data : Sumber diolah (2022)

From table 2, 3, 4 above it can be seen that there was a very visible change before the Covid-19 pandemic and during the Covid-19 pandemic in the leverage ratio using DAR, DER, TIER proxies. Prior to the Covid-19 pandemic, there was a downward trend in DAR, DER and an increase in TIER that occurred from the 1st quarter of 2019 to the 1st quarter of 2020. During the Covid-19 pandemic, there was an increase in the trend of DAR, DER and a decrease in TIER that occurred in when the pandemic started, namely in the 1st quarter of 2020 until the research deadline, namely in the 1st quarter of 2021.

Discussion

Time Interest Earned Ratio (TIER) is a ratio that aims to measure the extent to which a company's profit plus depreciation is generated to be able to fulfill its obligations to settle long-term debt interest. if the TIER ratio increases, it can be said that there is an increase in company profits plus depreciation. the higher the profit plus depreciation, the more expected by the company because the ability to pay the company's long-term debt increases.

The increasing and decreasing trends experienced by cement companies are as follows: PT. Indocement Tunggal Prakasa Tbk - INTP in 2019 before the COVID-19 pandemic the TIER went down, then went up and up again, in 2020 entering the COVID-19 pandemic the TIER went up, went up and down again, during the COVID-19 pandemic the TIER went up, went up, and continue to rise. Company PT. Semen Baturaja (Persero) Tbk - SMBR in 2019 before the COVID-19 pandemic the TIER went up, went up, then went down, in 2020 entering the COVID-19 pandemic the TIER went down, then went up and up, during the COVID-19 pandemic the TIER went down first, then up, and up. Company PT. Semen Baturaja (Persero) Tbk - SMCB in 2019 before the COVID-19 pandemic the TIER went up, went up, then went down, in 2020 entering the COVID-19 pandemic the TIER went down, then went up and up, during the COVID-19 pandemic the TIER went down first, then up, and up. Company PT. Semen Indonesia (Persero) Tbk - SMGR in 2019 before the COVID-19 pandemic the TIER went down, just went up, and went up, in 2020 entering the COVID-19 pandemic the TIER went down, just went up and up, during the COVID-19 pandemic the TIER went down first, then up, and up. Company PT. Waskita Beton Precast Tbk - WSBP in 2019 before the COVID-19 pandemic the TIER went down, it went up, it just went up, in 2020 entering the COVID-19 pandemic the TIER kept going up, during the COVID-19 pandemic the TIER went down first, then up, and up. Company PT. Wijaya Karya Beton Tbk - WTON in 2019 before the COVID-19 pandemic the TIER went down first, then went up, and went up, In 2020 entering the COVID-19 pandemic the TIER went down, then went up, during the COVID-19 pandemic the TIER went down first, then went up, and up.

In general, it can be generalized that the Time Interest Earned Ratio (TIER) before the COVID-19 pandemic seemed to be moving up, although not evenly distributed across

all issuers, and entering the COVID-19 pandemic it started to slow down and only during the COVID-19 pandemic did the average move down.

Debt to Total Asset Ratio (DAR) is a ratio that aims to measure the extent to which a company's total liabilities are compared to the company's total assets, if the DAR ratio increases, it can be said that there is an increase in the potential for debt to company assets. the higher the DAR, the less expected by the company because the potential ability to pay the company's debt is getting heavier.

The increasing and decreasing trends experienced by cement companies are as follows: PT. Indocement Tunggal Prakasa Tbk - INTP in 2019 before the COVID-19 pandemic the DAR continued to increase, in 2020 entering the COVID-19 pandemic the DAR went up first, then fell, during the COVID-19 pandemic the TIER went down first, then went up and then fell again. Company PT. Semen Baturaja (Persero) Tbk - SMBR in 2019 before the COVID-19 pandemic the DAR went down, went up and down again, in 2020 entering the COVID-19 pandemic the TIER went down, then went up and up, during the COVID-19 pandemic the TIER went down first, then up, and up. Company PT. Semen Baturaja (Persero) Tbk - SMCB in 2019 before the COVID-19 pandemic the DAR went up, rose, then fell, in 2020 entering the COVID-19 pandemic the DAR continued to fall, during the COVID-19 pandemic the DAR fell continuously. Company PT. Semen Indonesia (Persero) Tbk - SMGR in 2019 before the COVID-19 pandemic the DAR went up, went up, just fell, in 2020 entering the COVID-19 pandemic the DAR fell continuously, during the COVID-19 pandemic the DAR fell continuously. Company PT. Waskita Beton Precast Tbk - WSBP in 2019 before the COVID-19 pandemic the DAR rose continuously, in 2020 entering the COVID-19 pandemic the DAR rose continuously, during the COVID-19 pandemic the DAR rose, rose, then fell. Company PT. Wijaya Karya Beton Tbk - WTON in 2019 before the COVID-19 pandemic the DAR went up, down, then up, In 2020 entering the COVID-19 pandemic the TIER went down, down again, during the COVID-19 pandemic the DAR went down first, then up, and up

In general, it can be generalized that the Debt to Total Assets (DAR) before the COVID-19 pandemic seemed to be moving down, although it was not evenly distributed across all issuers, and entering the COVID-19 pandemic it began to slow down and only during the COVID-19 pandemic did the average move up.

Debt to Equity Ratio (DER) is a ratio that aims to measure the extent to which a company's total liabilities are compared to company equity, if the DER ratio increases, it can be said that there is an increase in the potential for debt to company equity. the higher the DER, the less expected by the company because the potential ability to pay the company's debt is increasingly eroding the company's equity.

The increasing and decreasing trends experienced by cement companies are as follows: PT. Indocement Tunggal Prakasa Tbk - INTP in 2019 before the COVID-19 pandemic, the DER continued to increase twice and fell again. In 2020, entering the COVID-19 pandemic, the DER went down first, then went up, during the COVID-19 pandemic, the DER went down first, then up Keep going. Company PT. Semen Baturaja (Persero) Tbk - SMBR in 2019 before the COVID-19 pandemic the DER went up, went up and down again, in 2020 entering the COVID-19 pandemic the DER went up, then continued to fall, during the COVID-19 pandemic the DER went down first, then up, and down again. Company PT. Semen Baturaja (Persero) Tbk - SMCB in 2019 before the COVID-19 pandemic the DER went up, then continued to fall, in 2020 entering the COVID-19 pandemic the DER continued to fall, during the COVID-19 pandemic the DER went down first and then continued to rise. The company PT. Semen Indonesia (Persero) Tbk - SMGR in 2019 before the COVID-19 pandemic, the DER went up, went up, then went down, in 2020 entering the COVID-19 pandemic, the DER went down continuously, during the COVID-19 pandemic, the DER went down continuously. Company PT. Waskita Beton Precast Tbk - WSBP in 2019 before the COVID-19 pandemic the DER went up and up continuously, in 2020 entering the COVID-19 pandemic the DER went up continuously,

during the COVID-19 pandemic the DER went up, up, then down. Company PT. Wijaya Karya Beton Tbk - WTON in 2019 before the COVID-19 pandemic the DER went up first, then went down, then went up, In 2020 entering the COVID-19 pandemic the DER went down, went up and down again, during the COVID-19 pandemic the DER went down first, then up, and up.

In general, it can be generalized that the Debt to Total Assets (DAR) before the COVID-19 pandemic seemed to be moving down, although it was not evenly distributed across all issuers, and entering the COVID-19 pandemic it began to slow down and only during the COVID-19 pandemic did the average move up.

4. CONCLUSION

Based on the explanation above, it can be concluded that when the COVID-19 pandemic occurred, there were no cement companies listed on the Indonesia Stock Exchange that did not experience financial performance problems. Before the COVID-19 pandemic, the DAR and DER trend analysis graphs for the average company showed a negative trend (decrease), but entering the COVID-19 pandemic, the DAR and DER trend analysis for the average company showed a slowdown, during the COVID-19 pandemic as a whole, cement companies those studied experienced improvements or worsened conditions during the COVID-19 pandemic, in other words, the financial performance of cement companies before the COVID-19 pandemic occurred was better than during the COVID-19 pandemic. The suggestion for this research is for cement companies to always pay attention to their financial ratios which in this study concentrate on leverage ratios. Suggestions for other researchers are to be able to increase the research period and add other financial ratios. Future research should extend the study period to provide a more comprehensive analysis of the financial performance of cement companies listed on the Indonesia Stock Exchange, encompassing both pre-pandemic and post-pandemic phases. Additionally, researchers should include a broader range of financial ratios beyond leverage ratios, such as profitability, liquidity, and efficiency ratios, to gain a more detailed understanding of the financial health and performance dynamics of these companies. This expanded focus will offer deeper insights into how different financial metrics interact and influence overall performance, especially during periods of economic instability such as the COVID-19 pandemic

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