ABSTRACT

SGR is critical for increasing growth rates without increasing corporate debt or issuing new shares. Rapid growth can deplete resources, whereas a slow-growing company may be unable to effectively utilize its resources. The purpose of this study is to examine the impact of Financial Leverage (as measured by Debt to Asset Ratio), Liquidity (as measured by Current Ratio), and Asset Efficiency (as measured by Total Asset Turnover) on the Sustainable Growth Rate (SGR) of companies while controlling for firm size.

The sample for this study was drawn from 33 transportation companies in the ASEAN-5 region that were listed on Bloomberg Databases and had complete data on the research variables from 2017 to 2021. Purposive sampling was used to obtain the sample, which was supplemented with secondary data obtained from the Bloomberg terminal. Multiple linear regression analysis of panel data is performed in this study using IBM SPSS Statistics 25 software.

The study's findings show that financial leverage, liquidity, and asset efficiency have a significant positive influence on the Sustainable Growth Rate (SGR). In the meantime, firm size has no effect on the Sustainable Growth Rate (SGR).

Keywords: *Sustainable Growth Rate (SGR), Debt to Asset Ratio, Current Ratio, Total Asset Turnover, Firm size, ASEAN-5.*