

## **ABSTRACT**

*Enterprise value is a strategic indicator that reflects the market's assessment of a company's performance, growth prospects, and sustainability. For food and beverage companies listed on the Indonesia Stock Exchange, the trends in financial ratios during the 2020–2024 period indicate a discrepancy with changes in enterprise value. This situation underscores the importance of an empirical examination of the determinants of firm value, with profitability as an intervening variable, for food and beverage companies on the IDX during the 2020–2024 period.*

*This study employs a quantitative approach using secondary data obtained from the Bloomberg Financial Laboratory. The sample was determined using purposive sampling, resulting in 46 companies with a total of 230 observations. The research variables were measured using Price-to-Book Value (PBV), Current Ratio (CR), Debt-to-Equity Ratio (DER), firm size, and Return on Equity (ROE). Data analysis was conducted using panel data regression and the Sobel test with Stata version 17.*

*The results of the study indicate that the Current Ratio (CR), Total Asset Turnover (TATO), and firm size do not have a significant effect on the Price-to-Book Value (PBV) ratio. The Debt-to-Equity Ratio (DER) and Return on Equity (ROE) have a significant positive effect on the PBV ratio. The mediation test results indicate that Return on Equity (ROE) does not mediate the effects of CR, DER, TATO, and firm size on PBV. The research findings suggest that profitability plays a direct role in enhancing firm value but does not serve as an intervening variable in the relationship between liquidity, capital structure, activity, and firm size on firm value among food and beverage companies listed on the Indonesia Stock Exchange.*

*Keywords: Firm Value, Profitability, Financial Ratios*

