

Analysis of Financial Performance By Methods Economic Valueadded (Eva) at PT. Argha Karya Prima Industry Tbk

Dwi Anugerah Lestari Musa¹, Welimas Kristina Parinsi², Kartika Septiary Pratiwi Musa³

^{1,2)} STIEM Bongaya Makassar, Indonesia

³⁾ Universitas Negeri Makassar

Corresponding Author: dwi.lestari@stiem-bongaya.ac.id

Published: Januari 2026

ABSTRACT

This study aims to analyze the financial performance of PT Argha Karya Prima Industry, Tbk in 2019-2022 using the economic value added (EVA) method. This research is descriptive research with a quantitative approach. The population in this study is the annual financial report of PT Argha Karya Prima Industry, Tbk. The sample of this study is the financial position report and comprehensive income statement of PT. Agha Karya Prima Industry, Tbk 2019-2022. The results of this study indicate that, the performance of PT Argha Karya Prima Industry, Tbk in 2019-2020 EVA value > 0, then there is added value and the Company's financial performance is good. Meanwhile, in 2021-2022 the EVA value < 0, then there is no added value and the Company's financial performance is not good. Overall, it can be said that in the last 4 years we can judge that there is no economic added value. Thus, it can be said that PT Argha Karya Prima Industry, Tbk for the 2019-2022 period is unable to create economic added value for owners of capital or shareholders, meaning that its financial performance is not good.

Keywords: Financial Report; Financial Performance; EVA; PT. Argha Karya Prima Industry Tbk.

© Musa et al.(s). 2026 Open Access This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. The images or other third party material in this article are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0>

INTRODUCTION

A company is founded with the aim of obtaining maximum profits, which requires the company to face change. To achieve good performance, companies implement various strategies. The company's financial condition and performance are reflected in the company's financial reports which are the result of accounting activities. Information about the company's financial condition and operations is very important for internal and external parties. For example, this information is used to track company developments in the short, medium and long term. [1]

Financial performance is analyzed to assess the extent to which the company applies correct financial principles. Companies need financial reports because these reports provide information about the company's income and financial status. The information contained in financial reports is very useful for report users, especially in the decision-making process. [2]

In analyzing and evaluating the development of financial performance and the company's potential or progress, it is important to pay attention to the company's balance sheet and profit and loss report in each period. Regular company performance measurements are needed to ensure that company goals are achieved. Information regarding financial performance is very useful in assessing a company's ability to generate cash flow, utilize existing resources, and achieve expenditure as expected. [3]

In the era of globalization and increasingly fierce competition, companies must have a deep understanding of their financial performance. Good financial results are a key factor for maintaining

a company's competitiveness in a competitive market. One method used to analyze financial performance is Economic Value Added (EVA). Economic Value Added (EVA) is a performance measurement method that combines the acquisition of value with the costs incurred to create added value. The main goal of EVA is to increase the value of capital that has been invested in company operations. By using EVA as a measuring tool, companies can evaluate the extent to which they have created value for capital owners by comparing the difference between operating profits after tax with the capital costs arising from the investments made to generate those profits. [4]

PT Argha Karya Prima Industry, Tbk, one of the leading companies in the plastic sheet film and flexible packaging industry in Indonesia and Southeast Asia, shows its commitment to protecting the environment. A form of this commitment is by creating a Digital Drop-box or Trash ATM in collaboration with PT Mountrash Avatar Indonesia. Through the CSR program, Argha tries to help facilitate the handling of plastic waste through Smart Dropbox / Digital Waste ATM as an active role and form of corporate responsibility in empowering the community and preserving the environment by providing education and socializing about sorting and saving waste from home or the source. The financial reports at PT. Argha Karya Prima Industry, Tbk for the 2019-2022 period which is presented in table 1

Table 1. Financial Condition of PT. Argha Karya Prima Industry, Tbk
Period 2019-2022 (Expressed in thousands of rupiah, unless stated otherwise)

Year	2019	2020	2021	2022
Net Sales (Rp)	2,251,123,299	2,230,112,093	2,702,959,888	3,105,631,649
Net Profit (Rp)	54,355,268	66,005,547	147,822,236	193.049.191
Own Capital (Rp)	1,244,955,791	1,313,886,759	1,463,013,414	1,771,465,877

Source: Data Processed, 2026

From the financial data above, it is explained that net profit has increased from 2019-2022. In this case, the company can increase interconnection costs, financial costs and other costs while increasing the company's revenue, thereby increasing the company's net profit. Net sales experienced fluctuations which tended to increase and decrease in 2020.

Then, it can be seen from the company's total capital increasing from 2019-2022. In this case, the company is able to manage its capital so that it can fulfill its short-term obligations when they fall due. From these data it is clear that financial performance has increased in terms of profitability, which tends to increase when measured against accounting profit. However, this may not be the same when measuring financial performance based on economic value added analysis. As Benjamin Graham said in his book entitled "The Intelligent Investor" was first published in 1949. In the book, Graham emphasized that investors must understand the difference between accounting profit and economic profit. Accounting profit refers to profit recognized in a company's financial statements based on generally accepted accounting principles while profit Economic reflects the actual health of the business and is calculated based on real conditions in the market and company operations. In this case, the company does not provide any information about the economic added value of the invested funds to investors because accounting profits are recorded in the company's financial statements, while financial results are usually taken into account for internal decisions.

Based on several studies related to economic added value, revealed that each company has different economic added value in each period and does not have the same consistency in providing economic added value in that company so that it provides an illustration as a motivation for researchers to carry out research again related to EVA that research This provides an important value because a company that is profitable in accounting does not necessarily have economic added value so it still requires in-depth study related to Economic Value Added (EVA) research. [5] [6][7]

LITERATURE REVIEW

Understanding Financial Reports

Financial reports are the result of an accounting process that can be used as a tool to communicate with interested parties about the company's financial condition and operating results. [8] Financial reports are presented and prepared by management for internal and external parties. A portrait of management decisions can be found in the company's financial reports.

Financial performance

Financial Performance Analysis, he states that the definition of financial performance is an analysis carried out to see how well a company has achieved by using appropriate and appropriate financial performance rules. [7] Financial Efficiency of a company can be understood as its future prospects, growth and good development potential. Financial performance information is needed to assess potential future changes in traceable economic resources. Financial performance is an analysis carried out to find out how well a company has implemented the regulations that have been set regarding the good and correct use of finance. [8]

Economic Value Added (EVA)

EVA is essentially a measure of the extent to which a company creates economic value for shareholders. Eva is the best financial performance indicator to describe a company's financial performance compared to other indicators. EVA is also a performance measure that is directly related to shareholder wealth over time. [4] Meanwhile, EVA is a value-based measure of financial performance that reflects the absolute amount of shareholder wealth generated which increases or decreases every year. [9]

Explains that the results of company performance evaluations that use EVA can be divided into three different categories, [10] namely:

- a. $EVA \text{ value} > 0$ (positive EVA)

This position means that management has succeeded in creating financial value for the company.

- b. $EVA \text{ value} = 0$

This position means that the company's leadership is on the right track, the company is not experiencing failure, but at the same time it is also not moving forward financially.

- c. $EVA \text{ value} < 0$ (negative EVA)

This position means there is no added economic value for the company in the sense that returns cannot meet the expectations of the company's creditors and shareholders (investors).

METHOD

Types of research

The type of research carried out by researchers is descriptive research with a quantitative approach. Quantitative research uses numbers as a tool to find information about the data you want to know. The data analyzed comes from the financial reports of all PT companies. Argha Karya Prima Industry, Tbk, especially in the financial report and comprehensive income statement for the 2019-2022 period

Data analysis technique

The data analysis technique used is comparative analysis. This comparative analysis is an analysis technique that is carried out by presenting financial reports horizontally and comparing them with each other, by showing information.

In this research, the Economic Value Added method is used to measure data. The Economic Value Added (EVA) method is analyzed in several stages as follows. [11]:

1. Calculating Net Operating Profit After Tax (Nopat)

Net operating profit after tax (Nopat) is the remaining net profit after tax and interest expenses charged to the company. The formula for calculating net operating profit after tax (Nopat) is as follows:

$$\text{NOPAT} = \text{EAT} + \text{INTEREST EXPENSES}$$

2. Calculating Invested Capital (IC)

Invested capital is the total amount of debt, excluding interest-free short-term debt such as accounts payable, accrued debt, taxes payable, customer advances. The formula for calculating invested capital is as follows:

$$\text{IC} = \text{Total Debt and Equity} - \text{Short Term Debt}$$

3. Calculating the Weighted Average Cost of Capital (WACC)

Weighted Average Cost of Capital (WACC) is a calculation of capital costs from the elements of capital components. The formula for calculating the weighted average cost of capital (WACC) is as follows:

$$\text{WACC} = \{(D \times r_d) \times (1 - \text{Tax})\} + (E \times r_e)\}$$

4. Calculating Capital Charges (CC)

Principal payment is the cash flow needed to compensate investors for the risk of business capital invested. The calculation formula for capital deposits is as follows:

$$\text{Capital Charges} = \text{WACC} \times \text{Invested Capital}$$

5. Calculating Economic Value Added (EVA)

Economic Value Added (EVA) is a measure of the extent to which a company creates economic value for shareholders. The formula for calculating Economic Value Added is as follows:

$$\text{NOPAT value} > \text{CC (positive EVA)}$$

This position means that management has succeeded in creating added economic value for the company.

$$\text{Value 0 when NOPAT} = \text{CC}$$

This position means that the company's leadership is on the right track, the company is not experiencing failure, but at the same time it is also not moving forward in terms of economic added value.

$$\text{NOPAT value} < \text{CC (negative EVA)}$$

This position means there is no added economic value for the company in the sense that returns cannot meet the expectations of the company's creditors and shareholders (investors).

RESULT AND DISCUSSION

a. NOPAT Calculation Results

Table 2 PT NOPAT Calculation.

Argha Karya Prima Industry, Tbk, 2019-2022 (in thousands of rupiah).

Year	EAT (Profit for the Year)	Interest expense	NOPAT
2019	54,355,268	70,091,762	124,447,030
2020	66,005,547	59,992,085	125,997,632
2021	147,882,236	43,781,255	191,663,491
2022	193,049,191	54,029,437	247,078,628

Source: Data processed, 2026

Based on the table above, you can see the results of the Nopat (Net Operating After Tax) calculation which is obtained from the current year's profit plus interest expense. Based on the Nopat value owned by PT. Argha Karya Prima Industry, Tbk has experienced an increase every year due to the company's current year's profit increasing from 2019-2022 but this is followed by interest expenses which fluctuate so that the NOPAT value increases every year. The greater the Nopat (Net Operating After Tax) value owned by PT. Argha Karya Prima Industry, Tbk, the better the company will be because it shows good performance in increasing profits every year.

b. Invested Capital (IC) Calculation Results

Table 3 Calculation of PT's Invested Capital.

Argha Karya Prima Industry, Tbk, 2019-2022 (in thousands of rupiah).

Year	Total debt and Equity	Short Term Debt	Invested Capital
2019	2,776,775,756	1,003,137,696	1,773,638,060
2020	2,644,267,716	879,913,552	1,764,354,164
2021	3,335,740,359	1,162,789,501	2,172,950,858
2022	3,643,115,175	1,208,231,349	2,434,883,826

Source: Data processed, 2026

Based on table 3 above, it can be seen that the total capital invested in 2019 and 2020 has decreased, but in 2021 and 2022 it has increased. This is due to the increase in the number of loans and equity.

c. The calculation results WACC (Weight Average Cost of Capital)

Table 4 Recapitulation of Weighted Average Costs (WACC)

PT. Argha Karya Prima Industry, Tbk, 2019-2022 (in thousands of rupiah).

Year	WACC
2019	0.05
2020	0.04
2021	0.12
2022	0.14

Source: Data processed, 2026

Based on table 4 it can be seen that WACC (Weight Average Cost of Capital) in 2019 was 0.05, while in 2020 it was 0.04, then in 2021 it was 0.12, and in 2022 it was 0.14. A large WACC (Weight Average Cost of Capital) will increase the value of capital charges. The greater the WACC (Weight Average Cost of Capital) value obtained each year, the greater the level of return on investment obtained by investors.

d. The calculation results Capital Charges (CC)

Table 5 Calculation of Capital Charges PT. Argha Karya Prima Industry, Tbk, 2019-2022

(in thousands of rupiah).

Year	WACC	Invested Capital	Capital Charges
2019	0.05	1,773,638,060	88,681,903
2020	0.04	1,764,354,164	70,574,166
2021	0.12	2,172,950,858	260,754,102
2022	0.14	2,434,883,826	340,883,735

Source: Data processed, 2026

From the table above, in 2019-2020 the value of Capital Charges decreased due to the value of Invested Capital and WACC (Weight Average Cost of Capital) has decreased. Meanwhile, in 2021-2022 the value of Capital Charges will increase due to the increase in the value of Invested Capital and WACC (Weight Average Cost of Capital) has increased.

e. The calculation results Economic Value Added (EVA)

Table 6 Calculation of Economic Value Added (EVA) PT. Argha Karya Prima Industry, Tbk, 2019-2022 (in thousands of rupiah).

Year	NOPAT	Capital Charges	EVA	Criteria	Performance
2019	124,447,030	88,681,903	35,765,127	$EVA > 0$	Good
2020	125,997,632	70,574,166	55,423,466	$EVA > 0$	Good
2021	191,663,491	260.754.102	(69,090,611)	$EVA < 0$	Not good
2022	247,078,628	340,883,735	(93.805.107)	$EVA < 0$	Not good

Source: Data processed, 2026

Based on the Economic Value Added (EVA) calculation above, it can be concluded that the calculation of financial performance using the Economic Value Added (EVA) method for 2019 is IDR. 35,765,127,-. Then it increased by Rp. 55,423,466,- in 2020. Furthermore, in 2021 there was a decrease of Rp. (69,090,611),-. Then in 2022 there will also be a decrease of IDR. (93,805,107),-.

DISCUSSION

Based on the results of financial performance analysis using PT's Economic Value Added (EVA) method. Argha Karya Prima Industry, Tbk for the 2019-2022 period fluctuated, where in 2019-2020 it succeeded in getting economic added value or its financial performance was in good condition, while in 2021-2022 there was no economic added value or its financial performance was not in good condition. Overall, it can be said that in the last 4 years we can judge that there has been no economic added value because in the last two years the company has fallen, because the Capital Charges value experienced a very bad change from Nopat, it will produce a negative Economic Value Added (EVA) value. This is because the value of the company decreases as a result of the rate of return generated being lower than the rate of return demanded by investors. Thus, it can be said that PT. Argha Karya Prima Industry, Tbk is unable to create economic added value for capital owners or shareholders, meaning its financial performance is not good. As stated by Franco and Merton Miller (1958), structural capital theory states that company value is not affected by the company's capital structure, which means that a lower rate of return will not directly affect company value. On the other hand, if the Capital Charges value is smaller than the Nopat value, it will produce a positive Economic Value Added (EVA) value. This is because the expected rate of return exceeds the cost of capital. As G. Bennett Stewart III says: Bennett Stewart was one of Joel Stern's colleagues and together they played a major role in developing the EVA concept. He is the author of the highly influential book "The Quest for Value: A Guide for Senior Managers" which explains the concept of EVA and the importance of ensuring that the Capital Charges value is less than the Nopat value to achieve a positive EVA. Based on several studies related to the results of the Economic Value Added (EVA) analysis conducted by Ratna Marginingsih (2020) on the company, namely PT. Electronic City Indonesia Tbk for the 2018-2020 period succeeded in gaining economic added value for three periods, even though there were increases and decreases, the overall financial performance of PT. Electronic City Indonesia Tbk in 2018, 2019 and 2020 was considered very good. where a positive EVA value reflects the residual profit remaining after the costs of all capital that has been used. To maintain a positive EVA value, the company can increase revenue or reduce the cost of capital. A company's revenue can be increased by raising prices or selling additional goods and services. In these conditions, company management can meet the level of return required by shareholders. Compared with PT. Argha Karya Prima Industry, Tbk for the 2019-2022 period experienced fluctuations, where in 2019-2020 there was added economic value, and in 2021-2022 there was no economic value. Overall, it can be said that in the last 4 years we can judge that there has been no economic added value because in the last two years the company has fallen, because the Capital Charges value experienced a very bad change from Nopat, it will produce a negative Economic Value Added (EVA) value. This is because the value of the company decreases as a result of the rate of return generated being lower than the rate of return demanded by investors. Thus, it can be said that PT. Argha Karya Prima Industry, Tbk for the 2019-

2022 period was unable to create economic added value for capital owners or shareholders, meaning its financial performance was not good.

CONCLUSIONS

Based on the research that has been carried out, the author obtained results from the financial performance analysis of PT. Argha Karya Prima Industry, Tbk using the Economic Value Added (EVA) method in 2019-2022, namely in 2019-2020 it complies with the Economic Value Added (EVA) criteria, the EVA value is > 0 , meaning that financial performance is in good condition, this is because The company is able to pay its obligations as expected by investors, the company has managed its resources efficiently and has increased shareholder prosperity. Meanwhile, in 2021-2022 the EVA value is < 0 , meaning that the financial performance of PT. Argha Karya Prima Industry, Tbk is in bad condition. Overall it can be said that in the last 4 years we can assess that there has been no added economic value. This is because the value of the company decreases as a result of the rate of return generated being lower than the rate of return demanded by investors. Thus, it can be said that PT. Argha Karya Prima Industry, Tbk for the 2019-2022 period was unable to create economic added value for capital owners or shareholders, meaning its financial performance was not good.

REFERENCES

- Azlan Azhari, Abdul Rahman, & Deddy Ibrahim Rauf. (2026). Digital Marketing Strategy Based On E-Service, Brand Image And Reviews For Gofood MSMEs. *Journal of Studies in Academic, Humanities, Research, and Innovation*, 3(1), 541–561. <https://doi.org/10.71305/sahri.v3i1.606>
- Martina, Y., & Hidayah, N. R. (2022). Analisis rasio profitabilitas untuk menilai kinerja keuangan pada PT Kimia Farma (Persero) Tbk. *EKOMBIS: Jurnal Ilmiah Ekonomi dan Bisnis*, 10(1), 67–75.
- Mardhiyah, Y. (2022). Analisis kinerja keuangan pada PT Perkebunan Nusantara XIV (Persero) Makassar periode 2016–2020 [Skripsi, tidak dipublikasikan].
- Nengsi, S. (2019). Analisis faktor-faktor yang mempengaruhi kinerja keuangan pada PT Perkebunan Nusantara XIV [Skripsi, Universitas Bosowa].
- Nusa, I. B. S. (2021). The effect of professional skepticism and auditor's independence on detection fraud. *Enrichment: Journal of Management*, 12(1).
- Rahmawati, D., & Murwanti, S. (2023). Assessment of company's financial performance using the economic value added (EVA) method. In *Proceedings of the International Conference on Economics and Business Studies (ICOEBS 2022)* (p. 284). Springer Nature.
- Suhud, C. W., Djatnika, D., & Danisworo, D. S. (2022). Penilaian kinerja keuangan menggunakan metode economic value added pada PT Nippon Indosari Corpindo Tbk. *Indonesian Journal of Economics and Management*, 2(2), 342–354.
- Gari, A. (2023). Analisis kinerja keuangan PT Mandom Indonesia Tbk periode 2016–2020 dengan menggunakan economic value added (EVA) dan market value added (MVA). *Curve Elasticity: Jurnal Pendidikan Ekonomi*, 4(1), 66–79.
- Nyamongo, J. N. (2019). Effect of financial risk exposure on financial performance of manufacturing firms listed at the Nairobi Securities Exchange [Thesis, KCA University].
- Longdong, N. G. F., & Tawas, H. N. (2021). Analisis economic value added (EVA) dan market value added (MVA) sebagai alat pengukur kinerja keuangan pada PT Indofood Sukses Makmur Tbk. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 9(4), 1153–1164.

- Dinasari, L., & Herawaty, V. (2020). Pengaruh kinerja keuangan dan risiko sistematis terhadap nilai perusahaan dengan financial distress sebagai variabel moderasi pada perusahaan consumer. KOCENIN Series Conference, (1), 4–8.
- Hefrizal, M. (2018). Analisis metode economic value added untuk menilai kinerja keuangan pada PT Unilever Indonesia. Jurnal Akuntansi dan Bisnis: Jurnal Program Studi Akuntansi, 4(1).