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Comparative Analysis of Financial Performance before and after the Acquisition (Study on the Go Public Acquisitors for the Period of 2011-2019)

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ABSTRACT: The study aims to compare financial performance in Go Public Acquirer Companies before and after acquisition by analyzing significant differences in related to Liquidity (Current Ratio and Quick Ratio), Solvency (Debt to Asset Ratio and Debt to Equity Ratio), Activity (Total Asset Turn Over) and Profitability (Return on Assets, Return on Equity, and Net Profit Margin). This study used secondary data of financial statements two years before and after the acquisition of the acquirer company 2013-2017 with the research period of 2011-2019. The sampling technique use purposive sampling. A hypothesis test tool for testing H1 until H8 using Paired Sample T-Test or Wilcoxon Signed Rank Test. The results showed that there is a significant difference in Debt to Equity Ratio, Total Asset Turn Over, Return on Assets, Return on Equity, dan Net Profit Margin, while in Current Ratio, Quick Ratio, and Debt to Asset Ratio there is no significant difference.

Keywords: Acquisition, Financial Performance, Paired Sample T-Test, and Wilcoxon Signed Rank Test

INTRODUCTION

The influence of free competition and globalization requires companies to develop strategies in order to be developed, competitive, and sustainable (Ejrami et al., 2016; Pogodina et al., 2022; Vlas et al., 2022). The competitive strategy to develop the company in achieving the company's long-term goals is called a growth strategy (Adomako & Tran, 2022). In order to provide maximum results, the company must determine the strategy and direction of asset management from the line of business it owns (Ahmadi-Gh & Bello-Pintado, 2022). One of the strategies taken by the majority of companies today is to expand or expand their business (Rigo et al., 2022). The company's expansion is carried out in the form of internal expansion and external expansion (Banmairuroy et al., 2021). Internal expansion occurs when the company grows normally through capital budgeting activities, while external expansion is carried out through business combinations (Suhadak et al., 2016).

Business combinations are generally carried out in the form of consolidation, mergers and acquisitions (Aljohani & Thompson, 2020; Tiwari et al., 2021). Consolidation is the merging of two or more companies of relatively the same size into one new company (Lähteenmäki, 2021).

Merger is a combination of companies of different sizes, where a smaller company is taken over and then merged into a larger company (Wagemann et al., 2016). The smaller company was dissolved and its existence as a legal entity disappeared (Sudana, 2015; Varana & Rusliati, 2018).

Acquisition is a merger of two acquiring companies buying a portion of the shares so that the management control of the company shifts to the acquiring company, while the two companies each continue to operate as independent legal entities (Sudana, 2015). By definition of the Limited Liability Company Law Article 1 point 11, acquisition or takeover can be defined as a legal act carried out by a legal entity or individual to take over the shares of the company which results in the transfer of control over the company. Acquisition is one of the strategies that are often carried out with the aim that the company can survive or even develop.

In Indonesia, the phenomenon of acquisition is no stranger to companies that have developed. Over the past few years, the Business Competition Supervisory Commission (KPPU) has recorded dozens of acquisition notifications (Bukido & Bamatraf, 2018; Mulyadi & Rusydi, 2017). With the enactment of Government Regulation Number 57 of 2010 concerning Merger or Consolidation of Business Entities and Acquisition of Company Shares which Can Result in Monopolistic Practices and Unfair Business Competition, acquisition activities can become more widespread (Waskito & Hidayat, 2020).

Table 1
The number of acquisition activities recorded at the Business Competition Supervision Commission (KPPU)

Description	Year	Number of Activities
Number of company acquisition activities recorded at KPPU	2015	51
	2016	65
	2017	90
	2018	74
	2019	88
	2020	195

Source : Business Competition Supervision Commission (2021)

Table 1 shows the number of companies that made acquisitions in 2015-2020. In 2015 there were 51 acquisition activities, then increased to 65 in 2016, and 90 acquisitions in 2017. In 2018 there were 74 acquisition activities, 88 activities in 2019, and the peak increased more than 2 times in 2020 to 195 acquisition activity. This figure shows that from year to year acquisition activity tends to increase, even increasing sharply during the covid-19 pandemic period.

Reporting from idxchannel (2020), the company has made a lot of corporate acquisition trends even in the midst of the covid-19 pandemic. For example, the acquisition of GOPAY at Bank Jago worth Rp 2.77 trillion, PT Telkom Indonesia Tbk through its subsidiary PT Dayamitra Telekomunikasi (Mitratel) acquiring 2,100 telecommunications towers belonging to Indosat for Rp. 4.443 trillion, and PT Bank Bukopin Tbk which will change its name to KB Bukopin after its 67% stake was taken over by KB Kookmin Bank.

Acquisitions themselves are also carried out by many companies with various motives including economic, strategic, synergy, diversification and non-economic motives. Most of the motives for making acquisitions are synergy and economic motives. The acquisition activity is expected to generate synergies so that the value of the company will increase as well as the company's performance. The company's decision to make an acquisition has a major influence in improving the condition and performance of the company. This is because the merging of two or more companies can support business activities. The profits generated are also greater than if done separately.

However, the acquisition is still often seen as a controversial decision because it has a very complex and dramatic impact, including the cost of making an acquisition is very expensive, and the results are not necessarily as expected (Waskito & Hidayat, 2020). The acquisition decision in addition to bringing benefits is also inseparable from problems (Malis & Setyorini, 2017). In addition to cost and yield issues, the implementation of the acquisition can have a negative impact on the financial position of the acquiring company if the structuring of the acquisition involves payment methods by cash and through loans (Hamid & Purbawangsa, 2022).

To find out how successful the acquisition was, it can be seen by looking at the performance of the acquiring company, especially its financial performance (Kim & Yoo, 2022). Changes in the company's financial performance can be assessed through analysis of the financial statements before and after the acquisition using financial ratios (Wu & Huang, 2022). Financial performance analysis using financial ratios is considered the most effective way because it can provide an overview of the condition of a company, the company's financial condition, and describe the impact of what happens in the company's financial performance as a result of the acquisition activity (Chen & Xie, 2022). Several studies on the effect of acquisitions on financial performance in Indonesia examine the financial performance of companies making acquisitions from the financial ratios of the acquiring company (I. J. Dewi, 2011; P. Y. K. Dewi & Suryantini, 2019).

Studies have been conducted to determine the effect of acquisition activities on the company's financial performance, but the results are not always consistent. There are significant differences in Total Asset Turn Over, Return On Equity and Earnings Per Share (Waskito & Hidayat, 2020). There is partial significance in the Current Ratio, Total Asset Turn Over, Debt to Equity Ratio, Return on Investment and Earning Per Share before and after mergers and acquisitions (Sihombing & Kamal, 2016). On the other research, there is no significant difference in the values of the Current Ratio, Net Profit Margin, and Total Assets Turn Over between before and after the acquisition (Mukti & Rokhyadi, 2016). There are no significant differences in the Current Ratio, Fixed Asset Turn Over, Debt To Asset Ratio, Net Profit Margin, and Return On Assets, and there are significant differences in Total Asset Turn Over in 1 and 2 years after the company made mergers and acquisitions (Finansia, 2017).

There are differences in the results (research gap) in the study and previous studies. On the one hand, the acquisition activity has a beneficial impact on the company, but on the other hand it does not have any impact, so it is necessary to conduct research on the effect of acquisition on the company's financial performance assessed from its financial ratios. The reason for selecting objects in the go public company group is because of the level of business development that continues to grow with large transaction values and with the assumption that the larger the object observed, the more accurate the study will be (Primatama, 2015).

Based on the questions that have been developed, this study aims to analyze the significant differences related to the Liquidity Ratio (Current Ratio and Quick Ratio), Solvency Ratio (Debt to Asset Ratio and Debt to Equity Ratio), Activity Ratio (Total Asset Turn Over) and Ratio Profitability (Return on Assets, Return on Equity, and Net Profit Margin) on the acquirer's go public company before and after the acquisition.

METHOD

This research is a quantitative research with a comparative method. Quantitative research is research whose data is expressed in the form of numbers (Ghozali, 2016; Santoso, 2014). Comparative method or comparison is an analytical method or technique by comparing financial statements for one or more periods (Munawir, 2014). The research is analyzed using ratio analysis. Ratio analysis is an analysis to determine the relationship of certain items in the balance sheet or profit and loss individually or a combination of the two reports (Munawir, 2014).

This type of data uses quantitative data in the form of numeric symbols or numbers. The data source used is secondary data. Secondary data is data obtained or collected by researchers from various existing sources or interpreted by researchers as second hand (Hapsari, 2016). The secondary data used is the financial statements of go public companies listed on the Indonesia Stock Exchange (IDX) that made acquisitions for the 2013-2017 period. Secondary data is obtained from the results of the annual financial report library which is accessed through the official website of each company.

The population is the entire object of research that is of concern to the data provider where all data have the same characteristics (Nurgiyantoro et al., 2017). The population in this study were all companies that made acquisitions during 2013-2017. Where in the range of the year there are 330 acquisition activities which are then referred to as the population.

The sample is a group of members who are part of the population so that it also has population characteristics that are representative of the state of the population (Nurgiyantoro et al., 2017). The method used for sampling is a non-random method or purposive sampling where the determination of the sample is based on the criteria desired by the researcher. There are 28 companies that are selected as samples.

The data collection method used in this research is the documentation method. This study records and documents data on companies that are registered to carry out acquisition activities at the Business Competition Supervisory Commission (KPPU) and are listed on the Indonesia Stock Exchange (IDX). The research was conducted by taking financial statement data two years before and two years after the acquisition.

The analysis method was carried out by statistical tests through data processing carried out with IBM SPSS Statistics 24. The analytical methods used included descriptive statistics and statistical tests in the form of data normality tests and hypothesis testing using Paired Sample T-Test and/or Wilcoxon Signed Rank Tests.

To provide an overview of the data used, this study uses the calculation of the financial ratios of each variable and descriptive statistical analysis in the form of calculating the average (mean) of 2 years. The average ratio will be seen whether there is a significant difference between the average ratio of 2 years before making an acquisition and 2 years after making an acquisition.

The normality test is carried out to test whether a regression model has a normal or abnormal distribution (Santoso, 2014). This study uses the Kolmogorov Smirnov test as a data normality test tool.

In this study, there are two methods that will be used based on the results of the data normality test. If the data is normally distributed, then the Paired Sample T-Test is used, and if the data is not normally distributed, the hypothesis is tested using the Wilcoxon Signed Rank Test. Paired Sample T-Test is a different test used to test two paired samples, whether they have significantly different averages or not (Santoso, 2014). The Paired Sample T–Test was chosen because this study aims to examine the average relationship before and after the acquisition of each proxy variable that has been determined. Paired Sample T-Test can only be done if the results of the normality test are normal. The level of significance used is 95% ($\alpha = 0.05$). If the significance value is less than 0.05, the hypothesis is accepted and it can be concluded that there are differences before and after the acquisition.

The Wilcoxon signed rank test is a non-parametric difference test that aims to test for significant differences between two related samples or repeat measurements on a single sample. (Nugraheni, 2018) The Wilcoxon Signed Rank Test is an alternative test to the Paired Sample T – Test if the data does not meet the assumption of normality. In line with the Paired Sample T – Test, this test aims to test the average relationship before and after the acquisition of each proxy variable that has been determined. The level of significance used is 95% ($\alpha = 0.05$). If the significance value is less than 0.05, the hypothesis is accepted and it can be concluded that there are differences before and after the acquisition.

RESULT AND DISCUSSION

General description

The object of this research is all publicly listed companies on the Indonesia Stock Exchange (IDX) that carried out acquisition activities in 2013-2017. The research sample was determined through purposive sampling method. The study was conducted by observing the financial performance of Current Ratio (CR), Quick Ratio (QR), Debt to Asset Ratio (DAR), Debt to Equity Ratio (DER), Total Asset Turn Over (TATO), Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin (NPM) 2 years before the acquisition and 2 years after the acquisition with a research period of 2011–2019.

There are 28 companies that meet the predetermined sample criteria. The sample used in this study were 28 companies including 5 companies in 2017, 7 companies in 2016, 3 companies in 2015, 6 companies in 2014, and 7 companies for 2013.

Descriptive statistics

Descriptive statistics are statistical techniques that provide information only about the data they have and do not intend to test hypotheses which are then used to draw generalized inferences for larger data or populations (Nurgiyantoro et al., 2017). Activities in descriptive statistics include the mean (mean), mode, median, standard deviation and so on (Santoso, 2014).

Normality test

To be able to determine the hypothesis test to be used, it is necessary to know whether the data being tested is normally distributed or not. The normality test used is the Kolmogorov Smirnov Test with SPSS 24 which will compare the probability value of = 0.05 (Asymp, Sig-2-Tailed).

Table 2 Normality Test Results

No.	Variable	*Kolmogorov Smirnov*		
		Sig.	Results	Hypothesis testing
1	*Current Ratio Before*	0,005	Abnormal	*Wilcoxon Signed Rank Test*
2	*Current Ratio After*	0,000	Abnormal	
3	*Quick Ratio Before*	0,004	Abnormal	*Wilcoxon Signed Rank Test*
4	*Quick Ratio After*	0,000	Abnormal	
5	*Debt To Asset Ratio Before*	0,200	Normal	*Paired Sample T-Test*
6	*Debt To Asset Ratio After*	0,200	Normal	
7	*Debt To Equity Ratio Before*	0,200	Normal	*Wilcoxon Signed Rank Test*
8	*Debt To Equity Ratio After*	0,000	Abnormal	
9	*Total Asset Turn Over Before*	0,057	Normal	*Wilcoxon Signed Rank Test*
10	*Total Asset Turn Over After*	0,009	Abnormal	
11	*Return on Asset Before*	0,004	Abnormal	*Wilcoxon Signed Rank Test*
12	*Return on Asset After*	0,200	Normal	
13	*Return on Equity Before*	0,046	Abnormal	*Wilcoxon Signed Rank Test*
14	*Return on Equity After*	0,000	Abnormal	
15	*Net Profit Margin before*	0,000	Abnormal	*Wilcoxon Signed Rank Test*
16	*Net Profit Margin after*	0,000	Abnormal	

Table 2 shows the results of the Kolmogorov Smirnov normality test. Debt to Asset Ratio using Paired Sample T-Test to test the hypothesis. While the other 7 variables namely Current Ratio, Quick Ratio, Debt to Equity Ratio, Turn Asset Turn Over, Return on Assets, Return on Equity, and Net Profit Margin use the Wilcoxon Signed Rank test because the distribution is not normal (sig. < 0.05).

Table 3 Summary of Hypothesis Test Results

No	Variable	Value of Sig.	Hypothesis	Mean Before	Mean After
1	*Current Ratio*	0,733	H1	198,57	196,52
2	*Quick Ratio*	0,873	H2	159,79	160,02
3	*Debt To Asset Ratio*	0,057	H3	43,45	49,68
4	*Debt To Equity Ratio*	0,038	H4	99,38	199,08
5	*Total Asset Turn Over*	0,045	H5	0,77	0,67
6	*Return on Asset*	0,021	H6	8,35	2,78
7	*Return on Equity*	0,019	H7	14,16	-2,33
8	*Net Profit Margin*	0,008	H8	19,35	-7,1

Source: Wilcoxon Signed Rank Test Results and Paired Sample T-Test (2021)

1. Hypothesis 1

The results of the Wilcoxon Signed Rank Test hypothesis test using the SPSS 24 program which aims to prove the difference in Current Ratio between before and after the acquisition. Based on table 3, it is known that the results of the significance value are greater than the significance level (α) which is 0.733 > 0.05, thus hypothesis one (H1) which states that there is a significant difference in the Current Ratio between before and after the acquisition is rejected, which means there is no difference. significant on the Current Ratio between before and after the acquisition in the acquirer's go public company 2013-2017.

2. Hypothesis 2

The results of the Wilcoxon Signed Rank Test hypothesis test using the SPSS 24 program which aims to prove the difference in Quick Ratio between before and after the acquisition. Based on table 3, it is known that the results of the significance value are greater than the significance level (α) which is 0.873 > 0.05, thus the second hypothesis (H2) which states that there is a significant difference in the Quick Ratio between before and after the acquisition is rejected, which means there is no difference. significant on the Quick Ratio between before and after the acquisition in the acquirer's go public company 2013-2017.

3. Hypothesis 3

The results of the Paired Sample T-Test hypothesis test using the SPSS 24 program which aims to prove the difference in Debt to Asset Ratio between before and after the acquisition. Based on table 3, it is known that the result of the significance value is greater than the significance level (α) which is 0.057 > 0.05, thus the third hypothesis (H3) which states that there is a significant difference in the Debt to Asset Ratio between before and after the acquisition is rejected, which means it is not there is a significant difference in the Debt to Asset Ratio between before and after the acquisition in the 2013-2017 acquirer go public company.

4. Hypothesis 4

The results of the Wilcoxon Signed Rank Test hypothesis using the SPSS 24 program which aims to prove the existence of differences in the Debt to Equity Ratio between before and after the acquisition. Based on table 3, it is known that the results of the significance value are smaller than the significance level (α) which is 0.038 < 0.05, thus the fourth hypothesis (H4) which states that there is a significant difference in the Debt to Equity Ratio between before and after the acquisition is accepted, which means that there are significant difference in the Debt to Equity Ratio between before and after the acquisition in the 2013-2017 acquirer go public company.

5. Hypothesis 5

The results of the Wilcoxon Signed Rank Test hypothesis using the SPSS 24 program which aims to prove the difference in Turn Asset Turn Over between before and after the acquisition. Based on table 3, it is known that the result of the significance value is smaller than the significance level (α) which is 0.045 < 0.05, thus the fifth hypothesis (H5) which states that there is a significant difference in Turn Asset Turn Over between before and after the acquisition is accepted, which means that there are significant difference in Turn Asset Turn Over between before and after the acquisition in the acquirer's publicly listed company 2013-2017.

6. Hypothesis 6

The results of the Wilcoxon Signed Rank Test hypothesis test using the SPSS 24 program which aims to prove the difference in Return on Assets between before and after the acquisition. Based on table 3, it is known that the result of the significance value is smaller than the significance level (α) which is 0.021 < 0.05, thus the sixth hypothesis (H6) which states that there is a significant difference in Return on Assets between before and after the acquisition is accepted, which means that there is a difference. significant on Return on Assets between before and after the acquisition in the acquirer's go public company 2013-2017.

7. Hypothesis 7

The results of the Wilcoxon Signed Rank Test hypothesis test using the SPSS 24 program which aims to prove the difference in Return on Equity between before and after the acquisition. Based on table 3, it is known that the result of the significance value is smaller than the significance level (α) which is 0.019 < 0.05, thus the seventh hypothesis (H7) which states that there is a significant difference in Return on Equity between before and after the acquisition is accepted, which means that there is a difference. significant on Return on Equity between before and after the acquisition in the acquirer's go public company 2013-2017.

8. Hypothesis 8

The results of the Wilcoxon Signed Rank Test hypothesis test using the SPSS 24 program which aims to prove the difference in Net Profit Margin between before and after the acquisition. Based on table 3, it is known that the result of the significance value is smaller than the significance level (α) which is 0.008 < 0.05, thus the eighth hypothesis (H8) which states that there is a significant difference in Net Profit Margin between before and after the acquisition is accepted, which means that there is a difference. significant on the Net Profit Margin between before and after the acquisition in the acquirer's go public company 2013-2017.

Differences in Current Ratio Before and After Acquisition

Based on the Wilcoxon Signed Rank Test, it is known that the significance value of 0.733 is greater than = 0.05, so it can be concluded that there is no significant difference in the liquidity ratio proxied by the Current Ratio between before and after the acquisition. These results are based on research data obtained, where the distribution of current assets and current liabilities is relatively constant, there is no significant increase or decrease between before and after the acquisition of the acquirer's go public company.

Based on previous research that became the reference in this study, Fauzi and Isnayati (2021) found that there was a significant difference in the Current Ratio between before and after the acquisition, on other research, there was no significant difference in the Current Ratio between before and after the acquisition (Vintosa & Suwitho, 2018).

Should the acquisition be carried out, the current assets of the acquiring company are combined with the acquired company so that the ability of the acquirer's go public company to meet its short-term obligations is getting better, as indicated by a significant difference. However, the results show that there is no significant difference indicating that the acquirer's go public company has not been optimal in using its current assets to pay off the company's current debt after the acquisition. The results of this study are in accordance with the previous researchs results which state that there is no significant difference in the Current Ratio between before and after the acquisition (N. P. L. K. Dewi & Mustanda, 2021; Waskito & Hidayat, 2020).

Differences in Quick Ratio Before and After Acquisition

Based on the Wilcoxon Signed Rank Test, it is known that the significance value of 0.873 is greater than = 0.05, so it can be concluded that there is no significant difference in the liquidity ratio proxied by the Quick Ratio between before and after the acquisition. These results are based on research data obtained, where the distribution of current assets, inventories, and current liabilities is relatively constant, there is no significant increase or decrease between before and after the acquisition of the acquirer's go public company.

Based on previous research that was used as a reference in this study, there was a significant difference in Quick Ratio between before and after the acquisition (P. Y. K. Dewi & Suryantini, 2019), on the other hand, (Lim & Ruslim, 2020) found no significant difference in Quick Ratio between before and after the acquisition.

Should an acquisition be made, current assets and/or inventories are combined so that the ability of the acquiring company to meet its short-term obligations without having to liquidate or rely too much on inventories is getting better, as indicated by a significant difference. However, the results show that there is no significant difference indicating that the acquirer's go public company has not been optimal in using current assets outside of its inventory to pay off the company's current debt after the acquisition. The results of this study are in accordance with the results of researches which state that there is no significant difference in the Quick Ratio between before and after the acquisition (Lim & Ruslim, 2020; Vintosa & Suwitho, 2018).

Differences in Debt to Asset Ratio Before and After Acquisition

Based on the different Paired Sample T-Test test, it is known that the significance value of 0.057 is greater than =0.05 so it can be concluded that there is no significant difference in the solvency ratio proxied by the Debt to Asset Ratio between before and after the acquisition. These results are based on research data obtained, where the distribution of data on total assets and total debt is relatively constant, there is no significant increase or decrease between before and after the acquisition of the acquirer's go public company.

Based on previous research that became a reference in this study, there was a significant difference in the Debt to Asset Ratio between before and after the acquisition (P. Y. K. Dewi & Suryantini, 2019), on the other hand there was no significant difference in the Debt to Asset Ratio between before and after the acquisition. after acquisition (N. P. L. K. Dewi & Mustanda, 2021).

With the acquisition, the acquiring company's obligation to fulfill its obligations should be better, as indicated by a significant difference. However, the results show that there is no significant difference which indicates that the acquirer's go public company has not been optimal in using its total assets to pay off the company's debt after the acquisition. The results of this study are in accordance with previous results which show that there is no significant difference in the Debt to Asset Ratio between before and after the acquisition (P. Y. K. Dewi & Suryantini, 2019; Vintosa & Suwitho, 2018).

Differences in Debt to Equity Ratio Before and After Acquisition

Based on the Wilcoxon Signed Rank Test, it is known that this study supports the fourth hypothesis, namely that there is a significant difference in the Debt to Equity Ratio between before and after the acquisition. It is known that the significance value of 0.038 is smaller than = 0.05 so it can be concluded that there is a significant difference in the solvency ratio proxied by the Debt to Equity Ratio between before and after the acquisition of the acquirer's go public company.

Based on previous research that was used as a reference in this study, (Nasir & Morina, 2018) found that there was a significant difference in the Debt to Equity Ratio between before and after the acquisition, on the other hand, (Rehan et al., 2018) found that there was no significant difference in the Debt to Equity Ratio between before and after the acquisition. after acquisition.

There is a significant difference in the financial performance of the acquirer-going public company as measured by the Debt to Equity Ratio, leading to an increase in the average value from 99.38% to 199.08%. This means that the performance of the acquirer's go public company has not improved and the acquisition process has not succeeded in creating the expected synergy. The increase was due to an increase in total debt which was not matched by an increase in equity. The results of this study are in accordance with the results of previous researches which show a significant difference in the Debt to Equity Ratio between before and after the acquisition (Aggarwal & Garg, 2022; Nasir & Morina, 2018; Utari et al., 2022).

Difference in Total Asset Turn Over Before and After Acquisition

Based on the different Wilcoxon Signed Rank Test, it is known that this study supports the fifth hypothesis, namely that there is a significant difference in Total Asset Turn Over between before and after the acquisition. It is known that the significance value of 0.045 is smaller than = 0.05 so it can be concluded that there is a significant difference in the activity ratio proxied by Total Asset Turn Over between before and after the acquisition of the acquirer go public.

Based on previous research that was used as a reference in this study, there was a significant difference in Total Asset Turn Over between before and after the acquisition (Vintosa & Suwitho, 2018), on the other hand there was no significant difference in Total Asset Turn Over between before and after the acquisition (N. P. L. K. Dewi & Mustanda, 2021).

There is a significant difference in financial performance as measured by Total Asset Turn Over leading to a decrease in the average value from 0.77 to 0.67, which means that the performance of the acquirer going public has not improved and the acquisition process has not succeeded in creating the expected synergy. The decrease indicates that the level of efficiency in the use of all assets in generating income is not good. The results of this study are in accordance with previous researches which show a significant difference in Total Asset Turn Over between before and after the acquisition (Vintosa & Suwitho, 2018; Waskito & Hidayat, 2020).

Differences in Return on Assets Before and After Acquisition

Based on the Wilcoxon Signed Rank Test, it is known that this study supports the sixth hypothesis, namely that there is a significant difference in Return on Assets between before and after the acquisition. It is known that the significance value of 0.021 is smaller than = 0.05 so it can be concluded that there is a significant difference in the profitability ratio proxied by Return on Assets between before and after the acquisition of the acquirer's go public company.

Based on previous research that was used as a reference in this study, there was a significant difference in Return on Assets between before and after the acquisition (P. Y. K. Dewi & Suryantini, 2019), on the other hand, there was no significant difference in Return on Assets between before and after the acquisition (Nirmala & Arsha, 2016).

There is a significant difference in financial performance as measured by Return on Assets leading to a decrease in the average value from 8.75% to 2.78%, which means that the acquirer's go public performance has not improved and the acquisition process has not succeeded in creating the expected synergy. This shows that the company's ability to generate net income from its assets has decreased. This decrease in Return on Assets means that the go public companies that make acquisitions have not been fully able to maximize assets to make large profits, so it can be said that the company is not good at managing assets to earn profits. The results of this study are in accordance with the results of previous researches which showed a significant difference in Return on Assets between before and after the acquisition (P. Y. K. Dewi & Suryantini, 2019; Nasir & Morina, 2018).

Differences in Return on Equity Before and After Acquisition

Based on the different Wilcoxon Signed Rank Test, it is known that this study supports the seventh hypothesis, namely that there is a significant difference in Return on Equity between before and after the acquisition. It is known that the significance value of 0.019 is smaller than = 0.05 so it can be concluded that there is a significant difference in the profitability ratio proxied by Return on Equity between before and after the acquisition of the acquirer's go public company.

Based on previous research that was used as a reference in this study, there was a significant difference in Return On Equity between before and after the acquisition (Waskito & Hidayat, 2020), while (N. P. L. K. Dewi & Mustanda, 2021) found that there was no significant difference in Return On Equity between before and after the acquisition.

There is a significant difference in financial performance as measured by Return on Equity leading to a decrease in the average value from 14.16% to -2.33%, which means that the acquirer's go public performance has not improved and the acquisition process has not succeeded in creating the expected synergy. This shows that the return on the company's ability to generate net income from its equity has decreased. This decrease in Return on Equity means that the publicly listed companies that make acquisitions have not been fully able to maximize equity to make a profit. The results of this study are in accordance with the previous researches which show a significant difference in Return On Equity between before and after the acquisition (Vintosa & Suwitho, 2018; Waskito & Hidayat, 2020).

Differences in Net Profit Margin Before and After Acquisition

Based on the different Wilcoxon Signed Rank Test, it is known that this study supports the eighth hypothesis, namely that there is a significant difference in Net Profit Margin between before and after the acquisition. It is known that the significance value of 0.008 is smaller than = 0.05 so it can be concluded that there is a significant difference in the profitability ratio proxied by the Net Profit Margin between before and after the acquisition of the acquirer's go public company.

Based on previous research that was used as a reference in this study, there was a significant difference in Net Profit Margin between before and after the acquisition (Vintosa & Suwitho, 2018), whereas (Rehan et al., 2018) found there was no significant difference in Net Profit Margin between before and after the acquisition.

There is a significant difference in financial performance as measured by Net Profit Margin leading to a decrease in the average value from 19.35% to -7.1%, which means that the performance of the acquirer go public has not improved and the acquisition process has not succeeded in creating the expected synergy. . This shows that the company's ability to generate net profit from sales has decreased. This decrease in Net Profit Margin means that the increase in sales of go public companies that make acquisitions has not been optimal in scoring large profits or net profits. The results of this study are in accordance with the results of previous research which showed a significant difference between before and after acquisition (P. Y. K. Dewi & Suryantini, 2019; Vintosa & Suwitho, 2018).

CONCLUSION

This study was conducted by comparing the financial performance of the acquirer's go public company to see the difference in significance between before and after the acquisition for the 2013-2017 period. Based on the results and discussion, the following conclusions can be drawn:

a. There is no significant difference in the Liquidity Ratio proxied by the Current Ratio before and after the acquisition. This shows that the company's ability to meet its short-term debt is not significantly different before and after the acquisition.
b. There is no significant difference in the Liquidity Ratio proxied by the Quick Ratio before and after the acquisition. This shows that the company's ability to meet its short-term debt without liquidating inventory is not significantly different before and after the acquisition.
c. There is no significant difference in the Solvency Ratio proxied by the Debt to Asset Ratio before and after the acquisition. This shows that the company's ability to guarantee debt with its assets is not significantly different before and after the acquisition.
d. There is a significant difference with the increasing average value of the Solvency Ratio proxied by the Debt to Equity Ratio before and after the acquisition. This shows that the company's ability to use debt as a source of funding differs significantly, but does not improve between before and after the acquisition.
e. There is a significant difference with the average decrease in the Activity Ratio proxied by Total Asset Turn Over before and after the acquisition. This shows that the level of efficiency in the use of assets in generating sales is significantly different, but not improved between before and after the acquisition.
f. There is a significant difference with the decreasing average value of the Profitability Ratio proxied by Return on Assets before and after the acquisition. This shows that the company's ability to manage assets to generate profits is significantly different, but not improved between before and after the acquisition.
g. There is a significant difference with the decreasing average value of the Profitability Ratio proxied by Return on Equity before and after the acquisition. This shows that the company's ability to manage equity to generate profits is significantly different, but not improved between before and after the acquisition
h. There is a significant difference with the decreasing average value of the Profitability Ratio proxied by the Net Profit Margin before and after the acquisition. This shows that the

company's ability to generate profits on each sale is significantly different, but not improved between before and after the acquisition.

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