



Foreign Ownership, CSR Disclosure, and Leverage as Determinants of Firm Value: The Moderating Role of Profitability in Consumer Non-Cyclicals

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ABSTRACT

Keywords:

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Fluctuations in firm value within the consumer non-cyclicals sector remain a concern despite the sector's relatively stable demand characteristics. Differences in ownership structure, corporate social responsibility (CSR) disclosure, and financing decisions may contribute to variations in firm value, while previous empirical findings remain inconsistent. This study aims to examine the effects of foreign ownership, CSR disclosure, and leverage on firm value and to investigate the moderating role of profitability in these relationships. A quantitative approach was employed using purposive sampling and panel data regression with Moderated Regression Analysis (MRA). The study analyzed 168 observations covering the 2021–2024 period. The results indicate that foreign ownership has a significant negative effect on firm value, whereas CSR disclosure and leverage do not have significant partial effects. Simultaneously, foreign ownership, CSR disclosure, and leverage significantly affect firm value. Profitability does not moderate the effects of foreign ownership or CSR disclosure on firm value but strengthens the effect of leverage on firm value. These findings provide practical implications for companies and investors in formulating ownership, sustainability disclosure, and financing strategies to support firm value.

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INTRODUCTION

Firm value matters to society because listed companies influence employment, household consumption, investment returns, and the stability of capital markets. Consumer non-cyclicals are especially relevant because food, beverages, pharmaceuticals, and household products provide essential goods whose demand may remain relatively stable during economic fluctuations. From an investor perspective, firm value summarizes how markets assess future

prospects, financial capacity, and corporate signals. Evidence from Indonesian manufacturing research shows that ownership structure, ESG disclosure, and capital structure are associated with firm value, although their relationships vary across settings (Abbas et al., 2023; Fuadah et al., 2022). Therefore, understanding why firm value differs across consumer non-cyclicals is socially important. Examining foreign ownership, CSR disclosure, and leverage together can clarify how governance, sustainability information, and financing decisions are interpreted by capital-market participants and can effectively provide evidence for more informed corporate and investment decisions.

This study is grounded in signaling theory, which explains how firms communicate information about underlying quality to external stakeholders under conditions of information asymmetry (Connelly et al., 2025; Bafera & Kleinert, 2023). Foreign ownership can function as a governance-related signal because the presence of international investors may communicate monitoring, credibility, or expectations regarding corporate practices. CSR disclosure represents a nonfinancial signal through which firms communicate sustainability-related information to investors and other stakeholders (Lee et al., 2022; Nguyen, 2025). Leverage can signal financial discipline, risk exposure, or future claims on corporate resources, thereby shaping market interpretation of firm prospects (Bui et al., 2023; Pratt et al., 2023). Profitability, measured by NPM, provides an additional performance signal and may condition how other signals are interpreted. Thus, signaling theory provides a common framework for examining direct and moderating relationships among the study variables.

The general problem is that market participants do not interpret corporate information uniformly, while companies face simultaneous pressures to attract capital, maintain financial flexibility, demonstrate social responsibility, and sustain profitability. Differences in ownership structures, CSR disclosure practices, and leverage may therefore produce different implications for firm value. The signaling perspective suggests that disclosed information becomes meaningful when investors perceive it as credible and informative, yet signals can vary in strength across firms and institutional contexts (Friske et al., 2023; Fuadah et al., 2022). Empirical evidence also indicates that ESG-related information and financial characteristics do not consistently translate into higher market value across settings (Zhou et al., 2022; Cai et al., 2024). Consequently, the societal and market problem is not merely whether firms disclose information or use debt, but whether these characteristics are interpreted as value-relevant signals under different profitability conditions.

Previous studies provide substantial evidence that ownership structure, CSR disclosure, leverage, and financial performance are related to firm value, but their findings remain heterogeneous. Fuadah et al. (2022) examined ownership

structure and ESG disclosure in relation to firm value, while Wu et al. (2022) investigated ESG performance with ownership structure as a moderator. CSR research likewise reports varied valuation implications, with studies linking disclosure to firm value through different mechanisms and contexts (Villiers et al., 2024; Tsang et al., 2024). Capital-structure research also remains inconclusive, as leverage can show different associations with firm value across markets and industries (Bui et al., 2023; Pratt et al., 2023). Profitability has additionally been identified as a potential conditioning factor in firm-value relationships (Melina & Endri, 2024; Cantero-Saiz et al., 2024). These findings clearly establish an important empirical inconsistency requiring further integrated investigation.

The research gap becomes clearer when the variables are considered simultaneously within the Indonesian consumer non-cyclicals context. Existing studies have examined ownership structure, ESG or CSR disclosure, capital structure, and profitability, but often emphasize one relationship, use different moderators, or investigate other industries and institutional environments (Abbas et al., 2023; Fuadah et al., 2022). Studies of sustainability disclosure also demonstrate that disclosure quality, assurance, and information users can influence valuation outcomes, suggesting that disclosure should not automatically be assumed to increase firm value (Elbardan et al., 2023; Tsang et al., 2024). Similarly, leverage effects may depend on corporate and market conditions (Chandra et al., 2024; Bui et al., 2023). The unresolved issue is therefore whether profitability changes the way investors interpret foreign ownership, CSR disclosure, and leverage when valuing consumer non-cyclicals firms. Addressing this gap is important for context-specific evidence.

The novelty of this study lies in integrating foreign ownership, CSR disclosure, and leverage into one firm-value model while positioning profitability as a moderating condition within Indonesian consumer non-cyclicals companies. Rather than treating these determinants as isolated predictors, the study examines whether profitability changes the strength or direction of their relationships with firm value. The research focuses specifically on the 2021–2024 period, capturing a post-pandemic setting characterized by changing market conditions, financing needs, sustainability expectations, and corporate performance. This configuration provides a more integrated view of how ownership, nonfinancial disclosure, financing structure, and profitability operate together in market valuation. The study is important because it connects governance-related information, sustainability communication, and financial decisions within an empirical framework. The resulting evidence is expected to clarify whether profitability functions as a contextual mechanism shaping how corporate characteristics are reflected in firm value.

Based on the identified problem and gap, this study argues that firm value may depend on the presence of foreign ownership, CSR disclosure, or leverage, but also on how these characteristics are interpreted alongside profitability. Foreign ownership is expected to provide a governance-related signal, CSR disclosure to communicate responsible corporate practices, and leverage to convey information about financing and financial risk. Profitability is expected to condition these relationships because stronger or weaker earnings capacity can alter the market relevance of other corporate signals. Accordingly, this study examines the effects of foreign ownership, CSR disclosure, and leverage on firm value and tests whether NPM moderates each relationship among Indonesian consumer non-cyclicals companies during 2021–2024. The study contributes by providing an integrated empirical assessment of these relationships and by identifying whether profitability changes these associations between specific corporate characteristics and firm value.

Hypotheses

H1: Foreign Ownership has a positive effect on Firm Value.

H2: CSR Disclosure has a positive effect on Firm Value.

H3: Leverage (DER) has a positive effect on Firm Value.

H4: Profitability (NPM) moderates the relationship between Foreign Ownership and Firm Value.

H5: Profitability (NPM) moderates the relationship between CSR Disclosure and Firm Value.

H6: Profitability (NPM) moderates the relationship between Leverage and Firm Value.

Conceptual Framework

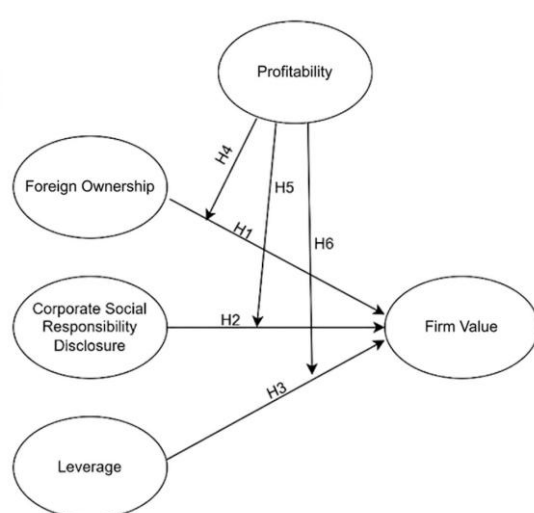


Figure 2. Conceptual Framework

RESEARCH METHODS

This study employed a quantitative explanatory design to examine causal associations among foreign ownership, Corporate Social Responsibility Disclosure (CSRI), leverage, firm value, and the moderating role of profitability. A quantitative design was selected because the study uses numerical secondary data and statistical procedures to test theoretically specified relationships objectively and systematically. Quantitative research requires clearly defined variables, transparent procedures, and appropriate analytical techniques to support reliable conclusions (Lim & Koay, 2024; Miller & Lengler, 2025). The study used panel data covering listed Consumer Non-Cyclicals companies over four consecutive years, 2021–2024. Moderated Regression Analysis (MRA) was employed to examine whether profitability changes the relationships between each independent variable and firm value. This design provides a structured basis for testing direct and interaction effects using longitudinal firm-level observations for the research questions.

The research was conducted using secondary data from the Indonesia Stock Exchange (IDX) and the websites of sampled companies. The IDX was selected as the research setting because it provides standardized corporate and market information for publicly listed firms, while company websites provide annual and sustainability reports used to complement the required observations. The population comprised all companies classified within the Consumer Non-Cyclicals sector on the IDX during the study period. Purposive sampling was applied because inclusion depended on documentary and reporting characteristics relevant to the research variables. Sampling decisions were based on predefined criteria, which can improve transparency and consistency when selecting units with characteristics (Ahmed, 2024; Miller & Lengler, 2025). Following screening, 42 companies met the criteria, producing 168 firm-year observations during 2021–2024. The sample selection process is presented in Table 1.

Data were collected through documentary review of publicly available corporate reports and market information. Annual reports, sustainability reports, financial statements, share ownership information, and stock-price data for 2021–2024 were identified, extracted, checked, and organized according to the operational definitions of each variable. The study measured firm value using Price to Book Value (PBV), foreign ownership using the proportion of shares held by foreign investors, CSR disclosure using the disclosed-item index, leverage using Debt to Equity Ratio (DER), and profitability using Net Profit Margin (NPM). Documentary data were cross-checked against the original company

disclosures to reduce transcription and coding errors. Data-quality procedures are important for ensuring quantitative evidence is valid, consistent, and reproducible (Gottfried, 2024; Reed et al., 2024). The operationalization and formulas are clearly summarized and documented in Table 2.

Data analysis was conducted using EViews 13 and proceeded through descriptive statistics, panel-model selection, regression estimation, hypothesis testing, and moderation analysis. The Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM) were compared using the Chow, Hausman, and Lagrange Multiplier tests, with the appropriate specification determined from their respective decision rules and evidence. Model diagnostics were applied as appropriate. The direct-effects model was specified as $PBV_{it} = \alpha + \beta_1 KA_{it} + \beta_2 CSRI_{it} + \beta_3 DER_{it} + \varepsilon_{it}$. The moderation model incorporated the main effects and interaction terms: $PBV_{it} = \alpha + \beta_1 (KA_{it} \times NPM) + \beta_2 (CSRI_{it} \times NPM) + \beta_3 (DER_{it} \times NPM) + \varepsilon_{it}$. Moderation was interpreted from interaction coefficients and significance tests and interpretation, following established moderation guidance (Ge, 2023; Schuler et al., 2025).

Table 1. Sample Selection Criteria

No.	Criteria	Number
1	Companies listed on the Indonesia Stock Exchange in the Consumer Non-Cyclicals sector	132
2	Companies that consistently published sustainability reports during 2021–2024	48
3	Companies excluded because of outlier observations	6
4	Companies included in the research sample	42
Total observations over 4 years		42 × 4
Total sample		168

Table 2. Variable Measurement

Variable	Description		Measurement
Independent Variable (X)	Foreign Ownership	Foreign Ownership (KA)	Foreign-owned Shares / Total Outstanding Shares × 100%
	CSR Disclosure	Corporate Social Responsibility Disclosure (CSRI)	Number of disclosed items / Total required items
	Leverage	Debt to Equity Ratio (DER)	Total Debt / Total Equity
Dependent Variable (Y)	Firm Value	Price to Book Value (PBV)	Share Price / Book Value per Share
Moderating Variable (Z)	Profitability	Net Profit Margin (NPM)	Net Profit / Net Sales × 100%

RESULTS AND DISCUSSION

Results

Descriptive Statistics

Descriptive statistics were used to summarize the distribution and variability of the variables included in the study over the 2021–2024 observation period. The variables comprised firm value (PBV), foreign ownership (KA), Corporate Social Responsibility Disclosure (CSR), leverage (LV), and profitability (NPM). Table 3 reports the mean, median, minimum, maximum, and standard deviation for each variable based on 168 firm-year observations. These statistics provide an initial overview of the central tendency and dispersion of the observed data before the panel regression analysis. The descriptive results also indicate that the variables exhibit different levels of variability across the sampled firms and observation years.

Table 3. Descriptive Statistics

Statistic	PBV	KA	CSR	LV	NPM
Mean	0.754274	0.848387	1.002097	0.089677	161.6430
Median	0.780000	0.880000	0.810000	0.070000	2.660000
Maximum	0.990000	1.000000	6.460000	1.260000	968.4700
Minimum	0.500000	0.350000	0.040000	-0.480000	0.330000
Std. Dev.	0.133692	0.155314	0.997554	0.143101	282.7245

Source: Processed data (2026).

Panel Data Regression

Panel regression analysis was preceded by model selection to determine the appropriate specification among the Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM). The Chow test was first conducted to compare the CEM and FEM specifications, followed by the Hausman test to compare the FEM and REM specifications. As shown in Table 4, the Chow test produced a Cross-section F statistic of 9.614993 with a probability value of 0.0000. Because the probability value is below 0.05, the null hypothesis favoring the CEM is rejected, indicating that the FEM provides a statistically distinguishable specification from the CEM. The Hausman test subsequently produced a Chi-square statistic of 2.446220 with a probability value of 0.8744, which exceeds 0.05; therefore, the null hypothesis is not rejected and the REM is selected over the FEM. Based on these sequential tests, the REM was used for the subsequent panel regression analysis.

Table 4. Panel Model Selection Tests

Test	Method	Statistic	d.f.	Prob.
Chow Test	Cross-section F	9.614993	30, 87	0.0000
Hausman Test	Chi-square Statistic	2.446220	6	0.8744

Source: Processed data (2026).

Random-Effects Regression

Table 5 presents the random-effects regression results examining the effects of foreign ownership, CSR disclosure, and leverage on firm value. Foreign ownership has a negative and statistically significant coefficient of -504.3694 ($t = -2.551002$; $p = 0.0120$), indicating a statistically significant negative association between foreign ownership and PBV within the estimated model. In contrast, CSR disclosure has a coefficient of 68.44630 ($t = 0.445744$; $p = 0.6566$), while leverage has a coefficient of 29.85644 ($t = 1.326242$; $p = 0.1873$); neither variable is statistically significant at the 5% level. The overall regression model is statistically significant, as indicated by the F-test probability of 0.005471 . The R-squared value of 0.142756 indicates that approximately 14.28% of the variation in PBV is explained by the independent variables included in this model, while the remaining variation is attributable to factors outside the estimated specification.

Table 5. Random-Effects Regression Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	498.5471	178.7706	2.788753	0.0062
KA	-504.3694	197.7143	-2.551002	0.0120
CSR	68.44630	153.5552	0.445744	0.6566
LV	29.85644	22.51206	1.326242	0.1873
Prob. (F-statistic)	0.005471			
R-squared	0.142756			

Source: Processed data (2026).

Moderated Regression Analysis

Table 6 reports the random-effects regression including profitability (NPM) as an additional explanatory variable. Foreign ownership remains negative and statistically significant, with a coefficient of -507.7695 ($t = -2.511376$; $p = 0.0139$), whereas CSR disclosure and leverage remain statistically insignificant, with p-values of 0.5720 and 0.2325 , respectively. NPM has a coefficient of -278.6007 and is statistically significant at the 5% level ($t = -2.008607$; $p = 0.0477$), indicating a negative association with PBV in this specification. The model is statistically significant overall, with a Prob(F-statistic) of 0.000000 and an R-squared value of 0.791626 . These results describe the estimated main effects after NPM is introduced and should be distinguished from the interaction effects used to assess moderation.

Table 6. Random-Effects Regression with Profitability

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	626.4333	210.8695	2.970716	0.0039
KA	-507.7695	202.1877	-2.511376	0.0139

CSR	-94.31606	166.2648	-0.567264	0.5720
LV	28.77.051	23.92464	1.202547	0.2325
NPM	-278.6007	138.7034	-2.008607	0.0477
Prob. (F-statistic)	0.000000			
R-squared	0.791626			

Source: Processed data (2026).

Table 7 presents the estimated interaction terms between profitability and the three independent variables. The interaction between KA and NPM has a coefficient of -155.6229 ($t = -0.154259$; $p = 0.8777$), indicating that the interaction is not statistically significant. Similarly, the interaction between CSR and NPM is statistically insignificant, with a coefficient of -545.6397 ($t = -0.517549$; $p = 0.6057$). The interaction between LV and NPM has a positive coefficient of 163.9503 ($t = 1.758871$; $p = 0.0811$), which is statistically significant at the 10% level but not at the 5% level. Thus, based strictly on the reported interaction p-values, evidence of a moderating effect is observed only for the $LV \times NPM$ interaction at the 10% significance level. The interaction model has a Prob(F-statistic) of 0.017954 and an R-squared of 0.080200.

Table 7. Interaction Effects in the Moderation Analysis

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	203.4873	48.70276	4.178146	0.0001
KA $\times$ NPM	-155.6229	1008.840	-0.154259	0.8777
CSR $\times$ NPM	-545.6397	1054.277	-0.517549	0.6057
LV $\times$ NPM	163.9503	93.21338	1.758871	0.0811
Prob. (F-statistic)	0.017954			
R-squared	0.080200			

Source: Processed data (2026).

Hypothesis Testing

Table 8 summarizes the hypothesis-testing results based on the reported coefficient estimates and probability values. H1 is supported by the regression results because KA has a negative and statistically significant association with PBV ($p = 0.0120$). H2 and H3 are not supported because the p-values for CSR disclosure ($p = 0.6566$) and leverage ($p = 0.1873$) exceed the 5% significance level. For the moderation hypotheses, H4 and H5 are not supported because the $KA \times NPM$ and $CSR \times NPM$ interaction terms have p-values of 0.8777 and 0.6057, respectively. H6 shows statistical evidence at the 10% significance level because the $LV \times NPM$ interaction has a positive coefficient of 163.9503 and a p-value of 0.0811. Accordingly, the evidence supports a statistically detectable interaction between leverage and profitability at $\alpha = 10\%$, whereas the corresponding interactions involving foreign ownership and CSR disclosure are not statistically significant.

Table 8. Hypothesis Testing Results

No.	Hypothesis	Prob.	Result
Panel Data Regression			
H1	KA has a negative effect on PBV	0.0120	Supported
H2	CSR has a positive effect on PBV	0.6566	Not supported
H3	LV has a positive effect on PBV	0.1873	Not supported
Moderated Regression Analysis			
H4	NPM moderates the effect of KA on PBV	0.8777	Not supported
H5	NPM moderates the effect of CSR on PBV	0.6057	Not supported
H6	NPM moderates the effect of LV on PBV	0.0811	Supported at 10%

Source: Processed data using EViews 13 (2026).

Coefficient of Determination

The coefficient of determination provides information on the proportion of variation in PBV accounted for by the variables included in each estimated model. In the baseline random-effects model, the R-squared value is 0.142756, indicating that approximately 14.28% of the variation in PBV is explained by KA, CSR, and LV, while approximately 85.72% remains unexplained by these variables within the model. In the model including NPM as an additional explanatory variable, the reported R-squared increases to 0.791626. Meanwhile, the interaction specification reported in Table 7 has an R-squared of 0.080200, indicating that approximately 8.02% of the variation in PBV is accounted for by the variables included in that specification. Because the reported R-squared values come from different model specifications, they should be interpreted within the context of their respective regression equations rather than directly compared as evidence of model improvement.

Discussion

The results show that foreign ownership has a negative and statistically significant effect on firm value, with a coefficient of -504.3694 , $t = -2.551002$, and $p = 0.0120$. This finding indicates that, within the sampled Consumer Non-Cyclicals companies during 2021–2024, higher foreign ownership is associated with lower PBV. The negative direction differs from the expectation that foreign ownership necessarily provides a favorable signal to the market through monitoring, resources, or governance advantages. From a signaling perspective, ownership information may be interpreted differently depending on the context and perceived quality of the signal (Connelly et al., 2025; Bafera & Kleinert, 2023). Therefore, foreign ownership should not automatically be interpreted as a

positive determinant of firm value. The finding contributes empirical evidence that the relationship between ownership structure and market valuation may be context-dependent.

CSR disclosure does not have a statistically significant effect on firm value, as indicated by a coefficient of 68.44630, $t = 0.445744$, and $p = 0.6566$. Although the coefficient is positive, the probability value indicates insufficient statistical evidence to conclude that CSR disclosure is associated with PBV in the observed sample. This result differs from studies suggesting that CSR or ESG-related information can contribute to firm value through improved transparency, stakeholder relationships, or market signaling (Nguyen, 2025; Zhou et al., 2022). However, the finding is compatible with the possibility that disclosure quantity alone does not necessarily generate a measurable market valuation response. In this context, investors may distinguish between the extent of disclosure and the substantive quality or financial relevance of corporate sustainability activities. Thus, the present result adds sector-specific evidence concerning the non-significant association between CSR disclosure and firm value.

Leverage also has no statistically significant effect on firm value, with a coefficient of 29.85644, $t = 1.326242$, and $p = 0.1873$. The positive coefficient indicates the estimated direction of the relationship, but the probability value exceeds the 5% significance threshold, meaning that the evidence is insufficient to establish a statistically significant association. This result differs from studies reporting relationships between capital structure and firm value, including research on listed companies in Vietnam and broader evidence concerning leverage and firm value (Bui et al., 2023; Pratt et al., 2023). The difference may reflect variations in sector characteristics, financial structures, market conditions, or institutional environments across samples. Accordingly, leverage alone does not appear to provide sufficient explanatory evidence for differences in PBV in the present sample. Its role becomes more relevant when considered jointly with profitability through the interaction analysis.

The moderation results indicate that profitability does not significantly moderate the relationship between foreign ownership and firm value or between CSR disclosure and firm value. The $KA \times NPM$ interaction has a coefficient of -155.6229 , $t = -0.154259$, and $p = 0.8777$, while the $CSR \times NPM$ interaction has a coefficient of -545.6397 , $t = -0.517549$, and $p = 0.6057$. Both probability values exceed the 10% significance threshold, providing no statistical evidence of moderation. These findings indicate that differences in profitability do not systematically change the associations of foreign ownership or CSR disclosure with PBV in the estimated model. This result qualifies studies that identify

financial performance as an important contextual factor in firm-value relationships (Fuadah et al., 2022; Cantero-Saiz et al., 2024). Therefore, profitability cannot be regarded as a universal strengthening mechanism for ownership and CSR-related effects on firm value.

In contrast, the interaction between leverage and profitability is positive and statistically significant at the 10% level, with a coefficient of 163.9503, $t = 1.758871$, and $p = 0.0811$. The positive interaction coefficient indicates that the association between leverage and PBV becomes more positive as profitability increases within the observed sample. Nevertheless, because the probability value is above 0.05, this evidence should be interpreted specifically as significant at the 10% level rather than at the conventional 5% level. The finding is consistent with studies examining profitability as a contextual factor in firm-value relationships (Melina & Endri, 2024; Al-khawaja, 2023). It also provides a more conditional interpretation of leverage: its relationship with firm value may depend on the profitability level of the firm rather than operating uniformly across observations. Thus, profitability represents a statistically detectable contextual condition specifically for the leverage–PBV relationship.

Collectively, these findings provide a differentiated perspective on the determinants of firm value. Foreign ownership demonstrates a significant negative association with PBV, whereas CSR disclosure and leverage do not exhibit statistically significant direct effects. Profitability likewise does not significantly moderate the effects of foreign ownership or CSR disclosure, while its interaction with leverage is positive and significant at the 10% level. This pattern indicates that ownership structure, sustainability disclosure, financing structure, and profitability do not operate uniformly in explaining market valuation. Previous studies have documented heterogeneous relationships among ownership structure, ESG disclosure, financial performance, and firm value (Fuadah et al., 2022; Wu et al., 2022). The present study contributes by examining these factors simultaneously within the Consumer Non-Cyclicals sector and by distinguishing direct effects from conditional effects. This sector-specific and interaction-based approach constitutes the main empirical contribution of the study.

The findings also provide a theoretical contribution by showing that market valuation should not be interpreted solely through isolated financial or non-financial indicators. The negative association between foreign ownership and PBV suggests that ownership information may receive different market interpretations, while the insignificant CSR result indicates that disclosure does not automatically translate into higher valuation. Similarly, the insignificant direct effect of leverage but positive $LV \times NPM$ interaction suggests that the relevance of financing decisions may depend on firms' profitability conditions.

These findings extend the signaling perspective by demonstrating that the market response to corporate information can vary according to the type and context of the information disclosed (Connelly et al., 2025; Friske et al., 2023). Overall, the study adds empirical evidence from Indonesian Consumer Non-Cyclicals companies during 2021–2024 and highlights the conditional nature of relationships between corporate characteristics and firm value.

CONCLUSION

This study concludes that foreign ownership has a significant negative effect on firm value, whereas CSR disclosure and leverage do not have significant direct effects. Profitability does not moderate the relationships between foreign ownership or CSR disclosure and firm value, but it strengthens the positive relationship between leverage and firm value, indicating that the value relevance of debt financing depends on the company's ability to generate profits. The key lesson from this study is that ownership structure, CSR disclosure, and financing decisions should not be interpreted independently, as their relevance to firm value may depend on the company's financial performance. The implications of the research findings suggest that managers should optimize ownership and financing strategies while maintaining adequate profitability, whereas investors should consider profitability and capital-structure effectiveness when assessing firm value. Scientifically, this study contributes empirical evidence by integrating foreign ownership, CSR disclosure, leverage, and profitability within a moderated panel-data framework, thereby providing a more comprehensive explanation of factors associated with firm value. However, the study is limited by its sectoral scope, 2021–2024 observation period, and selected variables and measurement proxies, which may limit the generalizability of the findings. Future research should extend the observation period and sector coverage and incorporate additional variables, such as firm size, corporate governance, business risk, and alternative measurement proxies, to provide broader insights into the determinants of firm value.

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