DIJEFA: Dinasti International Journal of Economics, Finance & Accounting
E-ISSN: 2721-303X
P-ISSN: 2721-3021
https://dinastipub.org/DIJEFA dinasti.info@gmail.com +62 811 7404 455

DOI: https://doi.org/10.38035/dijefa.v6i4.4864
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Received: 21 June 2025 | **Revised:** 21 July 2025 | **Accepted:** 03 August 2025

The Effect of Sales Growth and Interest Expense on Financial Health

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Abstract: This research aims to analyze the effect of growth sales and interest expense on financial health. As awareness of the importance of sustainability increases, The financial health of the company is an important indicator in assessing the company's ability to fulfill its short-term and long-term obligations and maintain the stability and continuity of its business. This research uses a quantitative approach with a causal type, utilizing data from in the Consumer Non-Cyclicals sector This research was conducted on companies included in the sector listed on the Indonesia Stock Exchange (IDX) during the period 2020–2024, the total number of companies that meet the criteria is 114 companies, from the total population, the researcher took a sample of 100 companies using the stratified random sampling technique, which is a random sampling technique by considering the representation of various sub-sectors in the Consumer Non-Cyclicals sector. So this research shows that Growth Sales and Interest Expense have a significant influence on financial health. It is hoped that these findings will provide insight for company management to implement sustainable strategies to maintain financial health stability.

Keywords: Growth Sales, Interest Expense, Financial Health, Stability.

INTRODUCTION

The financial health of a company is the main foundation that determines the company's operational sustainability and ability to survive and develop in the long term. Companies with healthy finances can maintain smooth operations and provide benefits to stakeholders, while those that experience a decline in financial health tend to face the risk of bankruptcy by (Yuliani, 2021).

According to (Pangkey et al., 2018 in Whardani et al., 2022), the phenomenon in the field shows that not a few companies are facing serious financial problems, even to the point of stopping operations in a relatively short time. Many businesses are unable to maintain financial performance due to their inability to generate sufficient profits or fail to meet their loan obligations. Failure to manage financial health is one of the main factors that cause bankruptcy. Therefore, it is important to evaluate factors that affect financial health as an effort to mitigate risks from an early age.

Several factors are known to be closely related to the company's financial health, including operational efficiency, cash flow, capital structure, debt levels, and profitability (profitability). Two of them that are the focus of this study are sales growth and interest expense, because both directly reflect the company's ability to generate revenue and efficiency in the use of external funding sources by (Nirmala & Hadi, 2022).

According to Yuliana & Fadli (2022), sales growth is the main indicator of the success of marketing and business development strategies. Positive sales growth reflects increased demand for the products or services offered, as well as the potential for increased profit and cash flow. In theory, stable sales growth will strengthen the company's financial structure and support business sustainability. However, although sales growth can have a positive impact on a company's financial performance, this increase can be burdened if it is not accompanied by good cost management and efficiency in debt management.

Meanwhile, interest expense reflects the amount of external funding costs incurred by the company, especially from interest-bearing debt. High interest expense can worsen cash flows, reduce net profit, and lower important financial ratios such as solvency and interest coverage ratios by (Harahap, 2021) and (Nirmala & Hadi, 2022). The high interest expense also reflects the company's high dependence on debt, which can increase financial risks if not managed efficiently by (Harahap, 2021).

The results of previous research also showed inconsistencies in the relationship between sales growth and interest expense on the company's financial health. (Yuliana & Fadli, 2022) stated that sales growth has a significant effect on financial health. Research by (Harahap, 2021) found that interest expense is more dominant and can reduce the positive impact of sales growth. Meanwhile, (Nirmala & Hadi, 2022) emphasized that the influence of sales growth on profitability becomes insignificant if it is not accompanied by operational efficiency. This difference in results indicates the need for further research to understand more deeply how sales growth and interest expense affect the company's financial health in the current economic context.

Hypothesis

The hypothesis in this study entitled The Effect of Growth Sales and Interest Expense on Financial Health, is set as follows:

H1: Sales growth has a positive impact on the financial health companies.
H2: Interest expense has a negative impact on the financial health companies.
H3: Sales growth and interest expense have a significant impact on the financial health companies.

METHOD

Research Type & Research Model

Research Type

This study uses a quantitative approach with a causal type, which aims to determine the influence between Sales Growth, Interest Expenses, and Sales Growth & Interest Expenses simultaneously on the company's financial health. The sampling technique used in this study is stratified random sampling, which is a sampling technique by dividing the population into several strata or homogeneous groups, then randomly selecting samples from each strata. In this study, the strata in question are sub-sectors in the Consumer Non-Cyclicals sector This research was conducted on companies included in the sector listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period.

This approach was chosen because it is able to describe the cause-and-effect relationship between financial variables objectively and measurably through statistical analysis. This is in line with previous research such as those conducted by (Yuliana & Fadli, 2022) and (Harahap,

2021) which also examined the relationship between financial variables using the regression method to measure their influence on a company's financial condition.

Research Model

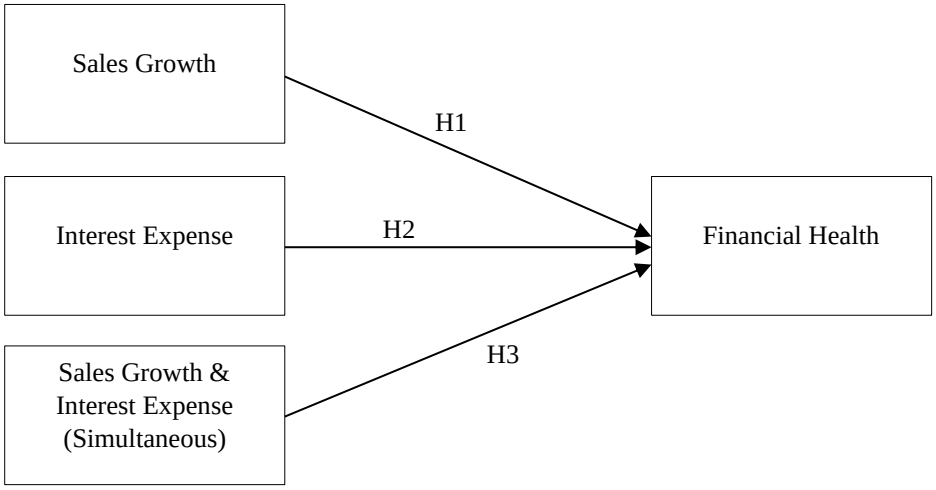


Figure 1. Research Model
Source: Research Results

This study examines the influence of three independent variables, namely Sales Growth, Interest Expense and Sales Growth & Interest Expense (Simultaneous), on the Company's Financial Health as measured using the Altman Z-Score. The research model is divided into three parts according to the hypothesis proposed, namely H1, H2, and H3.

The first model aims to test whether Sales Growth has a positive effect on the company's financial health. Sales growth reflects the company's ability to increase revenue year over year. In signal theory, increased sales are a positive signal to investors regarding the company's business prospects and operational efficiency.

If the company is able to increase sales consistently, it will generally have an impact on improving profitability and other financial ratios, ultimately increasing the value of the Altman Z-Score. Therefore, this model tests the direct influence of Sales Growth on individual Z scores.

The second model tests the effect of Interest Expense on the financial health of the company. Interest expense reflects the fixed liabilities that the company must pay on the debt it has. High interest expense can reduce net income, weaken cash flow, and lower the value of the Altman Z-Score.

In capital structure theory and signals, a high interest expense is often considered a negative signal that indicates that the company is overly dependent on debt financing. This model is used to test whether interest expense has a significant negative influence on the company's financial condition.

The third model combines the two independent variables simultaneously to see how the interaction of Sales Growth and Interest Expense affects the company's financial health together. This model represents the real state of the company, where sales growth and financial expense structure occur simultaneously.

With this model, researchers can assess whether the positive influence of sales growth remains significant when interest expense is also taken into account, or vice versa. The results of this model are the main basis for drawing general conclusions from the study, as they reflect the combined influence of the two variables on the company's Z-Score.

Population and Sample

The population in this study is all companies in the Consumer Non-Cyclicals sector listed on the Indonesia Stock Exchange (IDX) during the period 2020–2024. Based on the results of data search from the IDX's official website and other publication sources such as RTI Business and Yahoo Finance, the total number of companies that meet these criteria is 114 companies.

From the total population, the researcher sampled 100 companies using the stratified random sampling technique, which is a random sampling technique by paying attention to the representation of various sub-sectors in the Consumer Non-Cyclicals sector, such as the food and beverage sub-sectors, consumer retail, household goods, and pharmaceuticals.

The use of stratified random sampling aims to ensure a balanced representation of each sub-sector in the population, so that the results of the analysis are more accurate and can be generalized more broadly to the Consumer Non-Cyclicals sector as a whole, with stratification based on industry sub-sectors in the Consumer Non-Cyclicals group, such as:

1. Food and Beverage
2. Pharmacy
3. Household Consumer Goods
4. Personal Care Products

The sampling technique used in this study is stratified random sampling, which is a sampling technique by dividing the population into several strata or homogeneous groups, then randomly selecting samples from each strata. The sample criteria used in each strata are as follows:

1. The company is consistently listed on the IDX during the 2020–2024 period.
2. The Company publishes its full annual financial statements during the observation period.
3. The company has the required variable data, namely sales growth, interest expenses, and financial health ratios.

Inclusion criteria:

1. Consistently listed on the IDX in 2020–2024.
2. Publish a complete annual financial statement during the observation period.
3. It has sales growth, interest expense data, and Altman Z-Score ratios.

Data Collection Techniques

The data used in this study are secondary data obtained from:

1. The company's annual financial statements are accessed through the official website of the Indonesia Stock Exchange (www.idx.co.id).
2. Annual report obtained from each company's official website.
3. Other supporting data sources such as PEFINDO, OJK, and other official publications if needed.
4. Next, it uses Operational Variables, to define each research variable in detail, both in terms of concepts, indicators, and measurement methods, so that it can be processed quantitatively in statistical analysis.

Table 1. Variable Operations

Yes	Variable	Kind	Indicators/Definitions	Units / Scale	Data Source
1	Sales Growth	Independent	Percentage of net sales growth from the previous year.	Percentage (%)	Financial statements (Profit and Loss)
2	Interest Expense	Independent	The amount of interest expense or interest	Rupiah (Rp) billion	Financial statements

			expense from the company's interest liability.		(Profit and Loss)
3	Altman Z-Score	Depend on	Z-Score value based on Altman's formula (Z = 1.2X1 + 1.4X2 + 3.3X3 + 0.6X4 + 1.0X5)	Numerical score	Financial Statements (Balance Sheet & Profit and Loss)

Description of Altman Z-Score Components :

1. X1 = Working Capital / Total Assets
2. X2 = Retained Earnings / Total Assets
3. X3 = EBIT / Total Assets
4. X4 = Market Value of Equity / Book Value of Total Liabilities
5. X5 = Sales / Total Assets

Data Analysis Techniques

Data analysis is done with the help of statistical software such as SPSS or EViews. The analysis steps include:

1. Descriptive Statistical Test – To find out the characteristics of the data.
2. Classical Assumption Test – Includes normality, multicollinearity, heteroscedasticity, and autocorrelation tests.
3. Multiple Linear Regression Analysis – To find out the simultaneous and partial influence between independent variables on dependent variables.

Regression models used:

$$Y=\alpha+\beta 1X1+\beta 2X2+e$$

Where:

1. Y = Financial health
2. X_1 = Sales growth
3. Interest Expense
4. α = Constant
5. β_1, β_2 = Regression coefficients
6. ε = Error term
   a. Significance Test (t-test and F-test) – To test the partial and simultaneous influence of independent variables on dependents.
   b. Coefficient of Determination (R^2) – To see how much an independent variable contributes in explaining the dependent variable.

RESULTS AND DISCUSSION

Results

Statistics Descriptive

Descriptive statistics aim to provide an overview of the characteristics of the data used in this study. The variables analyzed consisted of Sales Growth, Interest Expenses, and Altman Z-Score as indicators of the company's financial health. Data was obtained from the financial statements of 100 companies in the Consumer Non-Cyclicals sector listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period.

Table 2. Descriptive Statistics of Research Variables

Variable	N	Minimum	Maximum	Mean	Std. Dev
Sales Growth (%)	100	-12.50	35.80	8.65	10.24
Interest Expense (IDR Billion)	100	1.20	215.60	60.75	48.30
Altman Z-Score	100	1.10	6.45	6.45	1.30

Based on the table above, the Sales Growth variable has an average value of 8.65% with a standard deviation of 10.24%, indicating a considerable variation in sales growth between companies in the Consumer Non-Cyclicals sector. A minimum value of -12.50% indicates a company that has experienced a decrease in sales, while a maximum value reaches 35.80%, reflecting very high sales growth in some companies. TThis finding is in line with the results of research by (Wangi & Firdaus, 2023) which also found high fluctuations in sales growth in the pharmaceutical sector, part of Consumer Non-Cyclicals, due to differences in marketing strategies and the influence of the pandemic.

The Interest Expense variable shows an average value of IDR 60.75 billion, with a standard deviation of IDR 48.30 billion, indicating a significant difference in the level of interest expense between companies. The maximum value of IDR 215.60 billion indicates a company with a high dependence on interest-bearing funding, while a minimum value of IDR 1.20 billion reflects a company with a relatively low interest burden. (Khasanah et al. 2024) also found a striking inequality in the Consumer Non-Cyclicals retail sector, which is caused by differences in capital structure and access to sources of financing.

Meanwhile, the Altman Z-Score variable has an average of 3.72 with a standard deviation of 1.30, which indicates that most companies are in fairly healthy financial condition, although there are some companies that are close to the threshold of bankruptcy risk with a minimum Z-Score value of 1.10. shows that there are companies that are in the bankruptcy-prone zone. (Sriwati & Garatu, 2023) in a case study of PT Garuda Indonesia also emphasized the importance of using the Altman Z-Score as an indicator to detect potential financial crises early, especially in industries that have interest rate pressures and income fluctuations.

Classic Assumption Test

A classical assumption test is performed to ensure that the data is eligible for analysis using multiple linear regression.

1. Normality test: The Kolmogorov-Smirnov showed a sig. value of 0.156 > 0.05 → normally distributed data.
2. Multicollinearity test: Tolerance > 0.1 and VIF < 10 → multicollinearity does not occur.
3. Heteroscedascity test: The Glejser test shows a sig. value of > 0.05 → no heteroscedasticity.
4. Autocorrelation test: The Durbin-Watson value is 1.981 → no autocorrelation.
   a. Normality Test

      The results of the Kolmogorov-Smirnov test showed a significance value of 0.200 (> 0.05), so it can be concluded that the data is normally distributed.
   b. Multicollinearity Test

      The results of the calculation of the Variance Inflation Factor (VIF) and Tolerance values:

Variable	Tolerance	VIF
Sales Growth	0.812	1.232
Beban Bunga	0.812	1.232

The VIF values of < 10 and Tolerance > 0.1 indicate that there is no multicollinearity between independent variables. All VIF values are < 10 and Tolerance > 0.10, so it can be concluded that there is no multicollinearity between the free

variables. This means that Sales Growth and Interest Expense do not affect each other linearly in the model and deserve to be included together in the regression analysis.

c. Heteroscedascity Test

Using the Glejser test, the significance of all independent variables was obtained > 0.05, so that the regression model was free of heteroscedasticity symptoms. Testing using Method Glejser Generate significance values:

1) Sales Growth: p = 0,214
2) Interest Expense: p = 0.337

Since the entire p-value > 0.05, the regression model is free of symptoms of heteroscedasticity; The variety of errors is homogeneously distributed across the prediction range.

d. Autocorrelation Test

The Durbin-Watson value (DW) = 1.981—being in the range of 1.5 ≤ DW ≤ 2.5—indicates no autocorrelation between residuals. Thus, the assumption of error independence is met and the model is feasible to proceed to regression testing.

Multiple Linear Regression Analysis Results

Table 3. Multiple Linear Regression Analysis Results

Variable	Koefisien (B)	t-hitung	Sig. (p)
Konstanta	2.103	5.002	0.000
Sales Growth	0.052	4.110	0.000
Beban Bunga	-0.011	-3.740	0.000

The results of the regression analysis showed that the Sales Growth variable had a positive and significant influence on the Altman Z-Score, with a significance value (p) below 0.05. This means that the higher the sales growth achieved by the company, the healthier its financial condition, as reflected in the increase in the Z-Score score. This is in line with the theory that sales growth reflects the success of the company's operational and marketing strategy, and shows an increase in the company's ability to generate greater revenue on a sustainable basis. This growth will ultimately strengthen the cash flow position and increase the company's chances of meeting its short-term and long-term financial obligations. In other words, increased sales growth will improve key financial ratios that affect Z-Score, such as profitability and asset efficiency.

Meanwhile, the Interest Expense variable showed a significant negative influence on the Altman Z-Score, also with a significance value (p) of less than 0.05. This shows that the greater the interest burden that the company bears, the lower the Z-Score score, or in other words, the worse the company's financial health. High interest expenses typically reflect a company's high reliance on interest-bearing debt, which, if not balanced with adequate operating income, can put pressure on net income and cash flow. When net profit declines and liquidity is disrupted, the company is getting closer to a financially unhealthy condition, which is reflected in the decline in the Z-Score score. Therefore, the management of capital structure and the efficiency of the use of debt are crucial to ensure that interest expenses do not become an excessive burden for the company's sustainability.

Partial Significance Test (t-test)

The t-test was conducted to test the influence of each independent variable (Sales Growth and Interest Expense) on the company's financial health as measured using the Altman Z-Score, partially or separately.

1. The Effect of Sales Growth on Financial Health

The results of the t-test showed that the t-calculated value for the Sales Growth variable was 4.110 with a significance value (p) of 0.000, which is much smaller than the significance limit of 0.05. Therefore, it can be concluded that Sales Growth has a positive and significant effect on the company's financial health. This means that the H_1 hypothesis is accepted.

Conceptually, these results reinforce the view that sales growth is an indicator of the success of operational strategies, marketing effectiveness, and product competitiveness in the market. Stable and sustainable sales growth will provide additional cash inflows, increase operating profits, and increase the company's ability to meet its short-term and long-term obligations.

In the context of Altman Z-Score measurement, positive sales growth tends to contribute to profitability ratios (earnings before interest and taxes/total assets) as well as asset utilization efficiency, two important components in the Z-Score calculation. Therefore, the higher the Sales Growth, the greater the tendency of the company to have a high level of financial health and a low risk of bankruptcy.

These findings are in line with the results of the study of (Yuliana & Fadli, 2022), which emphasized that increasing sales is the main motor in strengthening financial positions and avoiding dependence on long-term debt.

2. The Effect of Interest Expenses on Financial Health

Meanwhile, the t-calculated value for the Interest Expense variable is -3.740 with a significance value (p) of 0.000, which is also smaller than 0.05. This shows that the Interest Expense has a negative and significant effect on the financial health of the company, so the H_2 hypothesis is accepted.

From a theoretical and practical point of view, interest expense reflects the cost of external funding, particularly from interest-bearing debt such as bank loans, bonds, or other credit facilities. High interest expense directly reduces net profit because it becomes a fixed component in the expense structure, regardless of the company's earnings performance. If the company's revenue is not proportional to the interest obligations paid, then profit margins will be depressed, cash flow decreases, and the potential for default increases.

This will negatively impact the Altman Z-Score, especially on the profitability, liquidity, and leverage components. In other words, high interest expenses increase the likelihood that companies will fall into the category of unhealthy finances and prone to bankruptcy. These findings are in line with the research of (Harahap, 2021), which states that high debt-based capital structures tend to reduce financial flexibility and increase the risk of business failure, especially in volatile market conditions.

Simultaneous Significance Test (F Test)

The F test was conducted to determine whether the independent variables, namely Sales Growth and Interest Expenses, together (simultaneously) had a significant effect on the dependent variable, namely the Company's Financial Health (measured by the Altman Z-Score).

Based on the results of multiple linear regression, a Fcal value of 21.875 was obtained with a significance value (p) of 0.000. Since the significance value is much smaller than the critical limit of 0.05, the regression model is declared significant simultaneously. This means that the combination of Sales Growth and Interest Expense together has a significant influence on the financial health of companies in the Consumer Non-Cyclicals sector in Indonesia during the 2020–2024 period.

Thus, it can be concluded that the H_3 hypothesis is accepted, that is, there is a simultaneous influence between the two independent variables on financial health. This simultaneous significance suggests that the two factors—sales growth and interest expense—

are inseparable in influencing the company's overall financial condition. In a managerial context, this emphasizes the importance of a balanced approach between revenue growth strategies and the management of financial liabilities. It is not enough for companies to not only drive increased sales, but also to actively manage borrowing costs and capital structures to maintain long-term financial health.

These findings reinforce the importance of multivariate analysis in financial decision-making. If you only look at one of the variables separately, for example, only driving sales growth without controlling interest expenses, then these efforts can be counterproductive. The results of the F test also show that the regression model built has statistical feasibility to be used in predicting the level of financial health, because the variables in it do have a real contribution together.

Academically, these results are also in line with the view of (Nirmala & Hadi, 2022), who state that a company's financial health is not determined by a single factor, but rather by the interaction between various financial indicators that affect each other. Therefore, in the evaluation of financial risk, this simultaneous approach is much more representative than a partial approach.

Coefficient of Determination (R^2)

The coefficient of determination (R^2) is a statistical measure used to determine how much variation of dependent variables (in this case, the financial health of a company measured using the Altman Z-Score) can be explained by variations from independent variables (i.e. Sales Growth and Interest Expenses) in a regression model.

Based on the results of the regression analysis, an R^2 value of 0.425 was obtained. This means that 42.5% of the variation in the company's financial health can be explained by a combination of the variables Sales Growth and Interest Expense, while the remaining 57.5% is explained by other factors not included in this study model.

The R^2 value of 42.5% indicates that the regression model used has a moderate ability to explain dependent variables. Although it has not reached a very high level, this value shows that the two main variables in this study do have a real and substantial influence on the financial condition of companies, especially in the context of the Consumer Non-Cyclicals sector.

However, there is still a 57.5% variability of the Altman Z-Score that is affected by other factors not covered by this model. These factors can include:

1. Profitabilitas (misalnya Return on Assets, Return on Equity)
2. Liquidity (e.g. Current Ratio, Quick Ratio)
3. Leverage (debt-to-capital ratio)
4. Operational efficiencies (e.g. asset turnover ratio)
5. Cash management and capital structure
6. Macroeconomic conditions (such as inflation, interest rates, and fiscal policy)
7. 7.Good Corporate Governance

Thus, while this model is relevant and statistically significant, these findings suggest that there is a need for the development of advanced models that can include additional variables to be able to explain the financial condition of the company more comprehensively. This is in line with the principle of multivariate analysis that financial health is the result of a complex interaction of various financial indicators and other external factors.

In practical terms, this R^2 result provides a warning to financial managers that increasing sales and controlling interest expenses is not enough. A more comprehensive and strategic approach to financial management, including cost efficiency, asset management, and financial risk control, is needed to keep the company in a financially healthy condition.

Discussion

The results of this study provide empirical evidence regarding the influence of Sales Growth and Interest Expense on the financial health of companies in the Consumer Non-Cyclicals sector listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period. Multiple linear regression analysis shows that the two independent variables simultaneously or partially have a significant effect on the Altman Z-Score, which is a key indicator of the company's financial health.

The Role of Sales Growth in Supporting Financial Health

These findings reinforce the understanding that positive and consistent sales growth is a fundamental indicator of a company's operational strength and business sustainability. The Sales Growth variable in this study showed a positive and significant relationship with the Altman Z-Score, which indicates that the increase in sales has a direct correlation with the strengthening of the company's financial position.

Theoretically, sales growth increases operating cash flow, increases gross and net profit, and strengthens asset utilization efficiency. This automatically drives improvements in the components of the Altman Z-Score, such as profitability (EBIT/Total Assets), leverage, and asset efficiency.

In the context of the Consumer Non-Cyclicals sector, which includes basic necessities, food-beverages, and pharmaceuticals, sales growth has a significant impact because the sector is relatively stable and demand is not too affected by economic fluctuations. Thus, companies in this sector that are able to maintain or increase their sales demonstrate strong product competitiveness, effective marketing strategies, and adaptability to changing consumer preferences.

These results are in line with the research of (Yuliana & Fadli, 2022), who stated that increased sales not only reflect success in market expansion, but also increase the company's chances of maintaining long-term liquidity and solvency.

Financial Risks Due to High Interest Expense

In contrast, the Interest Expense variable showed a significant negative influence on financial health. The higher the interest expense borne by the company, the lower the Z-Score score. These findings suggest that reliance on high-interest debt puts serious pressure on a company's financial structure, especially if the debt is not used productively or is not accompanied by adequate revenue growth.

In practice, a high interest expense lowers net profit (since interest is a fixed expense payable), weakens the interest coverage ratio, and enlarges the leverage ratio, which directly lowers the Z-Score. This condition worsens investor and creditors' confidence in the company's business continuity.

This result is in line with capital structure theory, where excessive use of debt will increase the risk of bankruptcy, especially when interest expense exceeds the company's operational capabilities. (Harahap, 2021) also shows that companies with more conservative funding structures tend to have a more stable financial position and are resistant to external pressures.

In the Consumer Non-Cyclicals sector, where profit margins are not always large and competition is quite fierce, the management of interest expense is a critical aspect. An imbalance between debt growth and improved operational performance can lead to significant financial stress.

Simultaneous Relationship Between Sales Growth and Interest Expense

The results of the simultaneous test (Test F) show that Sales Growth and Interest Expense together contribute significantly to financial health. This confirms that financial health is not

the result of a single variable, but rather a complex interaction between revenue growth strategies and financial liability management.

Sales growth can have a positive impact on the Z-Score, but the benefits can be reduced if interest expense increases significantly. Conversely, a controlled interest expense will reinforce the positive impact of sales growth. Therefore, financial managers need to make decisions that are integrated between business expansion and control over financing structures.

Limitations and Further Research Directions

Although this regression model explains about 42.5% of the variance in a company's financial health, there are still 57.5% of other factors that are not covered. This indicates the need to expand variables in future studies, such as Return on Assets, Current Ratio, Debt-to-Equity Ratio, as well as non-financial indicators such as corporate governance (GCG) and management quality.

In addition, follow-up studies can also consider the influence of macroeconomic conditions (such as inflation, interest rates, and fiscal policy), and use cross-sector data to compare patterns of influence in cyclical vs. non-cyclical sectors.

CONCLUSION

Based on the results of the data analysis and discussions that have been carried out, it can be concluded as follows:

1. Sales Growth has a positive and significant effect on the company's financial health. This suggests that increased sales can strengthen a company's financial condition by improving cash flow and profitability, which further drives improvements in the Altman Z-Score. In the context of companies in the Consumer Non-Cyclicals sector, sales growth reflects the efficiency of the operational strategy and the competitiveness of the product in the market.
2. Interest expense has a negative and significant effect on the company's financial health. High interest expense tends to lower net income and weaken key financial ratios, resulting in a decrease in Z-Score. Dependence on high-interest debt is a source of financial risk that can threaten business continuity if not managed effectively.
3. Sales Growth and Interest Expense simultaneously have a significant effect on the company's financial health. This means that these two variables together make an important contribution in explaining the company's financial condition. Integrated management of revenue growth and financing structures is key to maintaining long-term financial stability and sustainability.
4. The regression model used has a determination coefficient (R^2) of 0.425, which means that 42.5% of the variation in the company's financial health can be explained by the variables Sales Growth and Interest Expense. The rest is influenced by other factors not included in the model, such as liquidity, operational efficiency, leverage, corporate governance, and macroeconomic conditions.

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