ABSTRACT

Fintech Lending companies in Indonesia have an important role to play in helping individuals access direct financing from micro and medium-sized institutions. Every company that is established has the goal of being sustainable and maximizing profits, therefore the company needs to improve its performance which may have an impact on the company's profitability. Profitability with Return on Equity as a measure used in this study. The purpose of this study is to test whether Return on Equity is partially and simultaneously influenced by the debt to equity ratio, firm size, current ratio, asset turnover, and working capital in Indonesian fintech lending companies from 2019 to 2021.

This study uses a quantitative method and fintech lending companies in Indonesia, which are the research population, use purposive sampling as the sampling technique. This research uses secondary data derived from financial reports by accessing them through the official websites of 31 fintech lending companies in Indonesia for the 2019-2021 period as samples in the study. Descriptive statistics, panel data regression, and classical assumptions were used for analysis.

The results in this study reveal that there is a significant negative effect on the debt to equity ratio on return on equity and a significant positive effect on firm size on return on equity, while the current ratio, asset turnover, and working capital do not have a significant effect on return on equity. In addition, the results of this study can be used as a decision-making consideration for companies and investors.

Keywords: *Fintech Lending, Return on Equity, Debt to Equity Ratio, Firm Size, Current Ratio, Asset Turnover, Working Capital*