



DETERMINATION OF FINANCIAL PERFORMANCE AND TRANSFER PRICING AGGRESSIVENESS: ANALYSIS OF SALES GROWTH, LEVERAGE, COMPANY SIZE AND INTANGIBLE ASSETS (LITERATURE REVIEW)

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Abstract

Previous research or relevant research is very important in a research or scientific article. Previous research or relevant research serves to strengthen the theory and phenomena of the relationship or influence between variables. This article reviews the Determination of Financial Performance and Transfer Pricing Aggressiveness: Analysis of Sales Growth, Leverage, Company Size and Intangible Assets, A Study of the Transfer Pricing Literature. The purpose of writing this article is to build a hypothesis of the influence between variables to be used in further research. The results of this research library are that: 1) The Effect of Sales Growth on Financial Performance; 2) The Effect of Leverage on Financial Performance; 3) Effect of Company Size on Financial Performance; 4) The Effect of Intangible Assets on Financial Performance; 5) The Influence of Sales Growth on Transfer Pricing Aggressiveness; 6) The Influence of Leverage on Transfer Pricing Aggressiveness; 7) The Influence of Company Size on Transfer Pricing Aggressiveness; 8) The Influence of Intangible Assets on Transfer Pricing Aggressiveness; and 9) The Influence of Financial Performance on Transfer Pricing Aggressiveness.

Keywords: Financial Performance, Intangible Assets, Leverage, Sales Growth, Transfer Pricing Aggressiveness

INTRODUCTION

All students, including those in Strata 1, Strata 2, and Strata 3, are mandated to undertake research in the form of theses and dissertations. Similarly, for lecturers, researchers, and other operational personnel who actively engage in research and produce scientific publications for publication in academic journals. According to the actual experiences of numerous young students, professors, and other researchers, locating supportive articles in research as prior or pertinent studies proves to be challenging. Relevant articles are essential for reinforcing the theory under investigation, examining the relationship between variables, and formulating hypotheses; they are also crucial in the discussion portion of research findings.

This complicates the ability to stay current with leading research and to evaluate the cumulative evidence within a specific research domain. The literature review as a research method is increasingly relevant in contemporary research contexts. A literature review is a systematic approach to collecting and synthesising prior research (Snyder, 2019).

This article analysis the impact of Sales Growth, Leverage, Company Size and Intangible Assets on Financial Performance and Transfer Pricing Aggressiveness, as explored in transfer pricing literature. Transfer pricing aggression is an escalating worry for tax authorities globally, especially in Indonesia. Multinational firms frequently exploit disparities in tax systems by reallocating profits to jurisdictions with lower taxes, so diminishing the revenue base of higher-tax nations. The research on transfer pricing aggressiveness has examined several aspects affecting organisations' decisions to partake in these practices, including as corporate size, financial performance, sales growth, leverage, and the existence of intangible assets.

The practices of transfer pricing directly influence government revenue. Indonesia, as a member of the global community, has implemented legislation in accordance with the OECD's Base Erosion and Profit Shifting (BEPS) action plan. Nonetheless, despite these initiatives,



compliance continues to pose a challenge, especially in areas such as consumer products, characterised by substantial global operations. This research synthesises existing material to offer insights that help enhance tax policies and enforcement systems.

Although transfer pricing aggression has been well examined, a notable deficiency exists in the literature regarding specific industries and their practices in developing nations such as Indonesia. The consumer products industry, which plays a crucial role in the Indonesian economy, has garnered very minimal attention. Moreover, there exists scant research investigating the impact of corporate attributes, such as sales growth and intangible assets, on transfer pricing behaviour. This study seeks to address these gaps by examining the interactions of these factors within the framework of consumer products companies in Indonesia.

This review synthesises existing data and identifies inconsistent conclusions concerning the causes of transfer pricing aggressiveness. For instance, certain research indicate that larger corporations are more inclined to utilise aggressive transfer pricing, but others reveal no substantial correlation. This research enhances the knowledge of the factors that precipitate transfer pricing aggressiveness by resolving these contradictions.

Drawing from the background, the issues to be addressed can be articulated to generate hypotheses for subsequent research, specifically:

- 1) The Effect of Sales Growth on Financial Performance;
- 2) The Effect of Leverage on Financial Performance;
- 3) Effect of Company Size on Financial Performance;
- 4) The Effect of Intangible Assets on Financial Performance;
- 5) The Influence of Sales Growth on Transfer Pricing Aggressiveness;
- 6) The Influence of Leverage on Transfer Pricing Aggressiveness;
- 7) The Influence of Company Size on Transfer Pricing Aggressiveness;
- 8) The Influence of Intangible Assets on Transfer Pricing Aggressiveness; and
- 9) The Influence of Financial Performance on Transfer Pricing Aggressiveness.

LITERATURE REVIEW

Financial Performance

Financial performance denotes the effectiveness with which a company utilises its assets derived from its core business operations to produce revenue (Madininos et al., 2011). This measure encompasses various aspects such as profitability, revenue growth, and the overall financial condition of the entity. Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin serve as prevalent metrics for assessing financial performance (Puspitasari et al., 2021).

Prior research has frequently analysed the connection between financial performance and different corporate strategies, such as tax planning and transfer pricing practices. Organisations exhibiting robust financial performance might possess greater resources to implement assertive transfer pricing strategies aimed at optimising their tax obligations, though the correlation is not invariably direct. For example, certain companies might leverage their financial resources for tax planning purposes, whereas others may choose to refrain from aggressive tactics in order to uphold a favourable reputation and steer clear of regulatory oversight.

Transfer pricing aggressiveness

Transfer pricing aggressiveness is the pricing applied to goods or services transferred between divisions of the same firm or between other firms (D. E. Wahyudi et al., 2021). Companies may establish transfer prices for commodities, services, or intellectual property that deviate markedly from market values, therefore reallocating profits to jurisdictions with lower



tax rates. Aggressive transfer pricing can result in significant tax savings; nevertheless, it also draws scrutiny from tax authorities and may incur legal and reputational problems.

The degree of aggressiveness in transfer pricing is frequently affected by factors including company governance, financial performance, and ownership structure. Numerous studies have indicated that firms possessing elevated intangible assets and those functioning across numerous jurisdictions are more prone to adopt aggressive transfer pricing strategies, owing to the challenges associated with effectively assessing intangibles and cross-border transactions.

Sales Growth

Sales growth is an indicator of the extent to which a company's sales have risen during a designated timeframe (Uhlener et al., 2013). It serves as a crucial metric of a company's market standing and prospects for sustained profitability. Companies undergoing swift sales growth may implement aggressive transfer pricing as a component of their overarching strategy to minimise their tax liabilities and reinvest in more expansion.

The relationship between sales growth and transfer pricing aggressiveness is intricate. High-growth corporations may aim to optimise cash flow by reducing taxes via aggressive transfer pricing strategies. Conversely, these organisations may exercise greater prudence in adopting aggressive tax strategies to evade unfavourable audit that could hinder their growth trajectory.

Leverage

Leverage denotes the utilisation of borrowed capital (debt) in comparison to equity (Alkhatib, 2012). Companies with high leverage frequently own substantial debt obligations, which might affect their transfer pricing tactics. Highly leveraged companies may be incentivised to implement aggressive transfer pricing to relocate earnings to jurisdictions with lower tax rates, thus enhancing cash flow for debt servicing.

Interest payments on debt are frequently tax-deductible, offering corporations a further motivation to enhance leverage and implement tax planning tactics, such as aggressive transfer pricing. Certain studies indicate a positive correlation between leverage and aggressive transfer pricing, implying that corporations with high leverage are more inclined to adopt such strategies to optimise their tax liabilities.

Company Size

The size of a company is a significant determinant affecting several corporate behaviours, including transfer pricing. Large corporations frequently possess intricate structures and heightened foreign exposure, hence amplifying the opportunities and risks related to transfer pricing (Ghauri et al., 2021). Large corporations generally possess the capacity to implement more complex tax planning measures, including assertive transfer pricing. They are also more inclined to possess substantial intangible assets, such as patents and trademarks, which can be strategically utilised in transfer pricing. Larger corporations face increased attention from tax authorities, which may discourage them from pursuing too aggressive transfer pricing strategies.

Intangible Assets

Intangible assets encompass non-physical entities, including patents, trademarks, brand equity, and intellectual technologies (Moro-Visconti, 2024). These assets are frequently important to a company's competitive edge and can be difficult to appraise. The challenge of valuing intangible assets facilitates aggressive transfer pricing, since firms may attribute inflated values to intangibles moved to subsidiaries in low-tax regions, thereby shifting earnings to minimise total tax obligations.

Numerous studies have emphasised the significance of intangible assets in transfer pricing methods, indicating that firms possessing substantial intangible assets are more inclined



to adopt aggressive transfer pricing practices due to the intrinsic difficulties in valuing these assets. The significance of intangible assets in the global economy has prompted heightened scrutiny from tax authorities, who are devising increasingly advanced techniques to evaluate and audit transfer pricing procedures related to intangibles.

The literature study reveals that financial performance, sales growth, leverage, firm size, and intangible assets are critical factors influencing transfer pricing aggressiveness. Firms exhibiting robust financial performance, sales growth, leverage, company size, and considerable intangible assets are predisposed to adopt strategies of transfer pricing aggressiveness.

Nonetheless, these tactics entail legal and reputational concerns, especially as global tax authorities intensify their examination of transfer pricing activities. Future study may analyze the relationship between these parameters and transfer pricing aggressiveness, taking into account the changing legal environment and the growing significance of intangible assets in the global economy.

Table 1: Relevant Previous Research

No	Name and Title	Result	Equation with This Article	Difference with This Article
1	Determinants of Transfer Pricing Aggressiveness in Indonesia (Waworuntu & Hadisaputra, 2016)	This study examined six determinants of transfer pricing aggressiveness: firm size, profitability, leverage, intangible assets, multinationality, and tax haven utilisation. Multiple regression analysis was employed to evaluate the model. The findings indicate a positive correlation between firm size and leverage with transfer pricing aggressiveness, whereas intangible assets and multinationality exhibit a negative correlation. This study demonstrates that there is no relationship between profitability, tax haven utilisation, and transfer pricing aggressiveness.	Transfer Pricing Aggressiveness	Not reserching on Financial Performance Do not use intervening variables
2	Transfer Pricing: Srategies, Practices	We observe that tax savings associated	Transfer Pricing	Not reserching on Financial



	and Tax Minimization (Klassen, 2017)	with transfer pricing are enhanced when there is a combination of elevated foreign income, utilisation of tax havens, and research and development activities alongside a tax minimisation strategy.		Performance Do not use intervening variables
3	Pengaruh Perencanaan Pajak, Tunneling Incentive dan Aset Tidak Berwujud terhadap Perilaku Transfer Pricing pada Perusahaan Manufaktur yang Memiliki Hubungan Istimewa yang Terdaftar di Bursa Efek Indonesia Periode 2014-2016 (Jafri & Mustikasari, 2018)	The results indicated that 134 companies fulfil the sample criteria. Results from multiple linear regression analysis tests indicate The results of this study concluded that the significance level of 5% indicates: (1) Tax planning influences transfer pricing behaviour. Pricing behaviour; (2) tunnelling incentives influence transfer pricing behaviour; (3) intangible assets do not impact transfer pricing behaviour. Transfer pricing behaviour indicates that intangible assets do not influence transfer pricing.	Transfer pricing behaviour	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
4	Profit Shifting Determinants and Tax Haven Utilization: Evidence From Indonesia (Suqih & Jasman, 2018)	This research aims to analyse and present empirical data regarding corporate multinationality, aggressive transfer pricing, thin capitalisation, intangible assets, and size as indicators of profit shifting towards	Aggressive Transfer Pricing	Not reserching on Financial Performance Do not use intervening variables



		<p>tax haven utilisation by publicly listed firms in Indonesia. Our analysis indicates that multinationality, aggressive transfer pricing, and intangible assets significantly and positively influence the use of tax havens. Our numerical data reveal no significant correlations among thin capitalisation, size, and tax haven utilisation.</p>		
5	<p>Do R&D Expenditure, Multinationality And Corporate Governance Influence Transfer Pricing Aggressiveness? (Dinca & Fitriana, 2019)</p>	<p>The findings suggest that regression analysis reveals research and development expenditures do not impact transfer pricing aggressiveness. Multinationality positively influences transfer pricing aggressiveness. Furthermore, corporate governance, as indicated by the presence of independent commissioners and shareholder ownership, negatively impacts the aggressiveness of transfer pricing.</p>	<p>Transfer pricing aggressiveness</p>	<p>Not reserching on Sales Growth, Financial Performance Do not use intervening variables</p>
6	<p>Financial Derivatives, Financial Leverage, Intangible Assets, and Transfer Pricing Aggressiveness: Evidence from</p>	<p>The findings indicate that financial derivatives, financial leverage, and intangible assets positively influence transfer pricing aggressiveness. This study demonstrates</p>	<p>Transfer Pricing Aggressiveness</p>	<p>Not reserching on Sales Growth, Financial Performance Do not use intervening variables</p>



	Indonesian Companies (Firmansyah & Yunidar, 2020)	that financial derivatives in Indonesia, utilised for both hedging and speculative objectives, possess same characteristics and are intricately linked to profit shifting executed by corporations.		
7	Transfer Pricing Aggressiveness and Corporate Governance: Evidence (Sari, 2020)	The results show that the developed transfer pricing aggressiveness index can be used to measure aggressiveness of transfer pricing. However, this research could not provide support that CG can reduce the aggressiveness of transfer pricing.	Transfer Pricing Aggressiveness	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
8	What do we know about transfer pricing? Insights from bibliometric analysis (Kumar, 2021)	findings of this review suggest that there is a need for transfer pricing research to go beyond compliance and tax management and toward a more meaningful exercise of using transfer pricing as a strategic tool in business	Transfer Pricing	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
9	Moderation of Financial Constraints on Transfer Pricing Aggressiveness, Income Smothing and Managerial Ability to Avoid Taxation (Aristyatama & Bandiyono, 2021)	The result was transfer pricing aggressiveness and income smoothing had positives effects on tax avoidance. Managerial ability reduces tax avoidance, while financial constraints did not. Furthermore, financial constraints did not moderate the effects of transfer pricing aggressiveness on tax	Transfer Pricing Aggressiveness	Not reserching on Sales Growth, Financial Performance but fianancial constraints Do not use intervening variables



		avoidance. Financial constraints strengthened the positive effects of income smoothing and the negative effects of managerial ability on tax avoidance.		
10	<u>Pengaruh aset tidak berwujud, ukuran perusahaan, kepatuhan perpajakan, dan leverage terhadap transfer pricing</u> (I. Wahyudi & Fitriah, 2021)	The findings of this study indicate that intangible assets, firm size, tax compliance, and leverage collectively exert a considerable influence on a company's decision to engage in transfer pricing. Additionally, intangible assets and leverage individually demonstrate a positive and significant impact on transfer pricing. However, business size exerts a somewhat negative and considerable influence on transfer pricing. Simultaneously, tax compliance exerts no substantial influence on transfer pricing.	Transfer Pricing	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
11	Analisis Faktor yang Memengaruhi Keputusan Agresivitas Transfer Pricing (Mulya, 2022)	All factors used in this study have no effect on transfer pricing aggressiveness, including those mediated by the tax burden. Except for executive risk preferences which directly affect the aggressiveness of transfer pricing.	Transfer pricing aggressiveness	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
12	Transfer Pricing Aggressiveness In Indonesia:	Applying multiple regression analysis, this study unveiled a	Transfer Pricing	Not reserching on Sales Growth, Financial



	Multinationality, Tax Haven, And Intangible Assets (Irawan & Ulinuha, 2022)	positive and significant impact of multinationality, occurrence of transactions with tax-haven-countries, and intangible assets on companies's transfer pricing aggressiveness	Aggressiveness	Performance Do not use intervening variables
13	Analisis Faktor-Faktor Yang Mempengaruhi Transfer Pricing Pada Perusahaan Sektor Industri Di Indonesia (Ridwan et al., 2023)	Hasil penelitian menunjukkan bahwa secara simultan model transfer pricing dipengaruhi oleh variabel tax, exchange rate, ukuran perusahaan, mekanisme bonus, profitabilitas, dan leverage. Hasil pengujian secara parsial menunjukkan bahwa variabel tax, ukuran perusahaan, mekanisme bonus, profitabilitas, dan leverage yang berpengaruh terhadap transfer pricing. Adapun exchange rate tidak berpengaruh pada transfer pricing.	Transfer Pricing	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
14	Pengaruh Ukuran Perusahaan, Sales Growth dan Transfer Pricing Terhadap Tax Avoidance (Wulandari & Pratiwi, 2023)	The findings of this study demonstrate that company size, sales growth, and transfer pricing collectively influence tax avoidance. However, it is noted that company size and sales growth do not have a significant impact on tax avoidance, while transfer pricing does exert an effect on tax avoidance.	Transfer Pricing	Not reserching on Financial Performance Do not use intervening variables



15	Can Foreign Sales, Sales Growth and Good Supervisions Affect Transfer Pricing Aggressiveness (Bahrun & Sustiyo, 2023)	The findings of this study reveal that: (1) foreign sales do not influence transfer pricing; (2) sales growth is inversely related to transfer pricing aggressiveness; (3) the presence of women on the board is positively correlated with transfer pricing aggressiveness; (4) audit quality does not impact transfer pricing.	Transfer pricing aggressiveness	Not reserching on Financial Performance Do not use intervening variables
16	Transfer Pricing in Indonesia: Literature Analysis (Isthika et al., 2024)	This research has determined that transfer pricing or related party transactions can be classified into two categories, as indicated by the articles on transfer pricing in Indonesia. Financial and corporate governance variables are present.	Transfer Pricing	Not reserching on Sales Growth, Financial Performance Do not use intervening variables
17	The Influence of Capital Intencity, Leverage, Profitability and Corporate Social Responsibility on Tax Avoidance with Firm Size as a Moderating Variabel (Sulaeman & Surjandari, 2024)	The research findings indicate that capital intensity, leverage, and profitability increase tax evasion, however corporate social responsibility does not effect tax avoidance. The moderation test results indicate that business size does not moderate the effects of capital intensity, leverage, profitability, and corporate social responsibility on tax avoidance.	Tax Avoidance	Not reserching on Sales Growth, Financial Performance Do not use intervening variables



METHODS

The approach to composing scientific articles involves qualitative approaches and a literature survey (Library Research). Evaluating theories and the interrelationship or impact of variables from literature and journals, both in physical libraries and online resources such as Mendeley, Google Scholar, Connected Papers, Publish and Purish, elicit and other digital platforms.

In qualitative research, the literature review must align consistently with methodological assumptions. This necessitates its inductive application to prevent it from influencing the researcher's enquiries. A primary rationale for undertaking qualitative research is its exploratory nature (Ali & Limakrisna, 2013).

RESULTS AND DISCUSSION

Based on relevant theoretical studies and previous research, the discussion of this literature review article in the concentration of Transfer Pricing is:

The Impact of Sales Growth on Financial Performance

Sales growth is frequently regarded as a vital metric of a company's capacity to expand and enhance revenue generation (Gupta et al., 2013). Sales growth typically results in enhanced financial performance, indicating heightened market demand and operational efficacy. Research indicates that continuous sales growth can enhance financial measures, including profitability, return on assets (ROA), and return on equity (ROE) (Bahrun & Sustiyo, 2023). Excessive or uncontrolled growth can deplete resources and result in operational inefficiencies, thereby harming financial performance (Wulandari & Pratiwi, 2023).

The Impact of Leverage on Financial Performance

Leverage is the utilisation of borrowed cash (debt) to fund a company's operations (Alkhatib, 2012). It can amplify returns when the company excels, but it also heightens risk. Research has identified a multifaceted relationship between leverage and financial success (Akomea-Frimpong et al., 2022). Moderate leverage can raise returns on equity, whereas excessive leverage elevates financial risk and capital costs, ultimately diminishing profitability and financial stability. Companies with elevated leverage are frequently more susceptible to market volatility and economic recessions.

Influence of Company Size on Financial Performance

Company size is frequently linked to economies of scale, market dominance, and resource accessibility, all of which can affect financial performance (Arifin et al., 2020). Larger enterprises generally exhibit superior financial performance attributable to economies of scale, enhanced access to finance, and more robust market positions (Ahinful et al., 2023). Nonetheless, certain research indicate that beyond a specific threshold, augmented size may result in bureaucratic inefficiencies, thereby detrimentally affecting financial performance.

The Impact of Intangible Assets on Financial Performance

Intangible assets, including intellectual property, brand equity, and goodwill, are becoming increasingly vital in the contemporary economy and can substantially influence a company's financial performance (Lim et al., 2020).

Intangible assets correlate positively with enhanced financial success. Companies possessing significant intangible assets typically exhibit elevated profit margins and return on equity, as these assets frequently confer competitive advantages and create barriers to entry. The appraisal and management of intangible assets can be complex, possibly impacting financial performance if not executed correctly (Braune et al., 2020).

**The Impact of Sales Growth on Transfer Pricing Aggressiveness**

Sales growth can impact a company's transfer pricing strategy, particularly in international firms where the distribution of revenue across various tax jurisdictions is crucial (Kalra & Afzal, 2023). Companies undergoing swift sales expansion may adopt more assertive transfer pricing strategies to enhance tax efficiency across jurisdictions. This is frequently accomplished by reallocating profits to jurisdictions with lower tax rates. Nevertheless, such tactics may invite examination from tax authorities and lead to substantial penalties if considered non-compliant.

The Impact of Leverage on Transfer Pricing Aggressiveness

Leverage can affect a firm's transfer pricing practices, as corporations with substantial debt may want to optimise after-tax profits by reducing taxable income. Companies with elevated leverage are likely to pursue assertive transfer pricing tactics to diminish their taxable income and regulate interest expenditures (Waworuntu & Hadisaputra, 2016) (D. E. Wahyudi et al., 2021). By reallocating income to subsidiaries in low-tax jurisdictions, corporations can diminish their overall tax liability, but this heightens the risk of audits and penalties (I. Wahyudi & Fitriah, 2021).

The Impact of Company Size on Transfer Pricing Aggressiveness

Larger corporations, possessing substantial resources and global operations, may have increased opportunities and motivations to adopt aggressive transfer pricing strategies (Wulandari & Pratiwi, 2023). Larger corporations frequently exhibit more aggressive transfer pricing strategies owing to their intricate organisational frameworks and enhanced access to tax planning resources. Nevertheless, these activities heighten the probability of regulatory examination and necessitate the implementation of stringent compliance measures.

The Impact of Intangible Assets on Transfer Pricing Aggressiveness

Intangible assets provide significant challenges in transfer pricing due to their valuation complexities and ease of cross-border relocation (Suqih & Jasman, 2018). Companies with substantial intangible assets are more inclined to adopt aggressive transfer pricing strategies. Intangible assets, including patents and trademarks, can be readily transferred to low-tax jurisdictions, yielding significant tax advantages. This also elevates the difficulty of transfer pricing audits and the likelihood of disagreements with tax authorities.

The Impact of Financial Performance on Transfer Pricing Aggressiveness

Financial success can influence the aggressiveness of transfer pricing as companies endeavour to achieve profitability objectives and satisfy shareholder expectations (Klassen, 2017). Firms exhibiting robust financial performance may adopt less aggressive transfer pricing tactics due to diminished motivation to reduce tax obligations. Conversely, Companies with inadequate financial performance may employ more aggressive strategies to optimise their financial Key Performance Indicators by reducing their tax liabilities. The relationship is subject to context and may fluctuate in accordance with industry, market conditions, and regulatory frameworks.

These insights underscore the intricate relationship among financial performance, corporate strategies, and regulatory frameworks. Future research may analyze these links within particular industries or areas, or assess the influence of recent regulatory modifications on transfer pricing practices.

Conceptual Framework

This article presents a conceptual framework derived from issue formulation, theoretical studies, pertinent prior research, and an analysis of variable interactions. Based on the formulation of the problem, theoretical studies, relevant previous research and discussion of the influence between variables, the framework for thinking in this article is as follows.

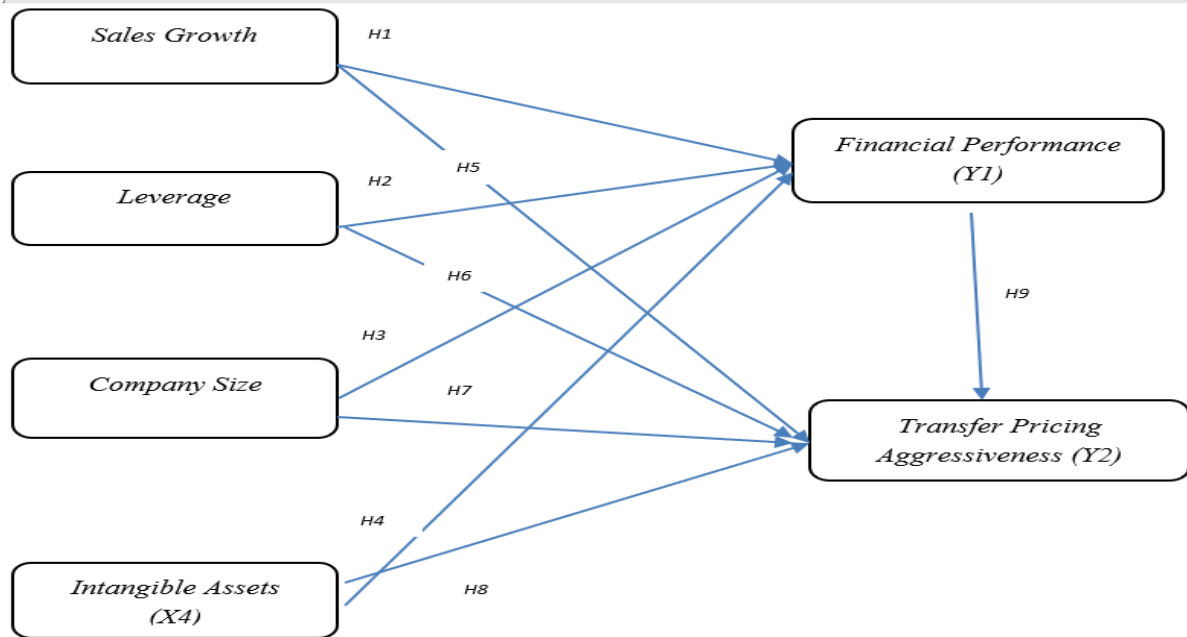


Figure 1: Conceptual Framework

Based on the conceptual framework picture above, then: Sales Growth (X1), Leverage (X2), Company Size (X3) and Intangible Assets (X4) affect Financial Performance (Y1) and Transfer Pricing Aggressiveness (Y2) either directly or indirectly. Apart from the variables of Sales Growth, Leverage, Company Size and Intangible Assets affect Financial Performance and Transfer Pricing Aggressiveness, there are many other factors that influence Financial Performance and Transfer Pricing Aggressiveness Career, including:

- 1) Audit Quality: (Santosa, 2021), (ABIODUN, 2020), (Mashiri et al., 2021), (Pahlevi, 2019)
- 2) Good Governance: (Wadana et al., 2023), (Saragih & Ali, 2023)
- 3) Transparency: (Balakrishnan et al., 2019), (Oats & Tuck, 2019),
- 4) Earning Management: (Amidu et al., 2019), (Omar & Zolkafllil, 2015)
- 5) Sustainability: (Alshehhi et al., 2018), (Asongu & Nwachukwu, 2016)

CONCLUSION

Conslusion

Based on the formulation of the article, theory and discussion of this article, it can be concluded that the hypotheses for further research are: Financial Performance affect Transfer Pricing Aggressiveness; Sales Growth has an effect on Financial Performance; Leverage influences Financial Performance; Company Size affect Financial Performance; Intangible Assets has an effect on Financial Performance; Sales Growth has an effect on Financial Performance; Leverage influences Financial Performance; Company Size affect Transfer Pricing Aggressiveness; Intangible Assets has an effect on Transfer Pricing Aggressiveness.

Suggestions

Based on the conclusions above, the suggestion in this article is that there are many other factors that influence Financial Performance and Transfer Pricing Aggressiveness: Analysis of Sales Growth, Leverage, Company Size dan Intangible Assets. Therefore further studies are needed. The further to look for other factors that can influence other than those examined in this article Financial Performance affect Transfer Pricing Aggressiveness.

Limitations

This study is limited to the aforementioned appeal verdicts, and the circumstances encountered in practice may differ from those described herein. Therefore, future research



should broaden its scope to explore additional possibilities in transfer pricing aggressiveness involving financial performance.

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