JASF | Journal of Accounting and Strategic Finance
Vol.8 No.1 June 2025, pp. 50-73.

ISSN 2614-6649 (online)
http://jasf.upnjatim.ac.id

Profit Sharing System in Islamic Banking Before, During, and After Covid-19 Pandemic, any Moderation?

Taudlikhul Afkar[1*], Ulfa Puspa Wanti Widodo[2], Wisudanto[3], Lina Rifda Naufalin[4], Ferry Hariawan[5]

[1] Department of Accounting, Faculty of Economic and Business, Universitas PGRI Adi Buana Surabaya, Surabaya, Indonesia
[2] Department of Accounting, Faculty of Economics and Business, Universitas Pembangunan Nasional Veteran Java Timur, Surabaya, Indonesia
[3] Department of Management, Faculty of Economic and Business, Universitas Airlangga, Surabaya, Indonesia
[4] Department of Management, Faculty of Economic and Business, Universitas Jenderal Soedirman, Purwokerto, Indonesia
[5] Department of Management, Faculty of Economic and Business, Universitas PGRI Adi Buana Surabaya, Surabaya, Indonesia

ORCIDs:

First AUTHOR : https://orcid.org/0000-0002-5854-4284
Second AUTHOR : https://orcid.org/0009-0009-0037-6175
Third AUTHOR : https://orcid.org/0000-0002-1765-8023
Fourth AUTHOR : https://orcid.org/0000-0001-9374-7071
Fifth AUTHOR : https://orcid.org/0000-0002-8288-2339

Corresponding author email: afkar@unipasby.ac.id

DOI: https://doi.org/10.33005/jasf.v8i1.569

Article Info

Editor: 1. Sari Andayani
2. Ardhi Islamudin

Received: 30 April 2025
Revised: 26 June 2025
Accepted: 30 June 2025

Citation APA 7th

Afkar. T. (2025), Profit Sharing System in Islamic Banking Before, During, and After Covid-19 Pandemic, any Moderation?, *JASF: Journal of Accounting and Strategic Finance, 8*(1), pp. 50-73.

Abstract

Purpose: Explain the consistency of the implications of NPF on Profitability with Profit-sharing System of Islamic Banking through *mudharabah* financing and *musharakah* financing before, during, and after the Covid-19 pandemic.

Method: Quantitative approach is used in this study with. The number of observations is 14 Islamic banks in Indonesia. This study uses combined financial statement data time series from the Financial Services Authority (OJK) for the 2018-2024 period. The data analysis technique uses Moderating Regression Analysis (MRA) with the JAMOVI tool to further examine the contribution of NPF before, during, and after the covid-19 pandemic through Slope Analysis.

Findings: First finding explains that NPF before and after covid-19 pandemic weakened profitability through profit-sharing system with *mudharabah* financing, while NPF during the covid-19 pandemic did not weaken profitability. Second finding explains that NPF before and during the covid-19 pandemic did not weaken profitability, while NPF after the covid-19 pandemic weakened profitability through profit-sharing system with *musharakah* financing.

Novelty/Value: Originality of this study is the consistency of the implications of NPF moderation on the profitability of Islamic banks in Indonesia through profit-sharing system with different times, namely before, during, and after the Covid-19 pandemic, because there is not yet consistency in the statement of NPF's role in Islamic Banks before.

Keywords: profit-sharing system, non-performing financing, profitability, Islamic Banking, *mudharabah* and *musharakah*.

INTRODUCTION

Sharia accounting in Islamic banking studies about the financial system. The banking financial system in Indonesia runs in two ways, namely conventional banks and Islamic banks. Conventional banks run their business by way of an interest system, while Islamic banks run their business with sharia principles. Sharia principles in Islamic banks are carried out to avoid *riba* (Maksum & Hidayah, 2023), one of which is the result-sharing system carried out with the *mudharabah* and *musharakah* contract by prioritizing sharia compliance (Alam et al., 2023). The impact of Covid-19 has disrupted social life because there are social restrictions in society, in addition to having an impact on the economy with difficulty in obtaining income (Horváth et al., 2020). It also has an impact on the Islamic banking system with a profit-sharing system that results in the emergence of non-performing financing (NPF) (Afkar et al., 2020).

Mudharabah and *musharakah* are included in the contract that has not ensured results, as in the Mixing Theory it can be seen that there is one party who is not able in terms of finances or expertise so that it needs help or cooperation in a business (Sanurdi, 2019), in the end there will be financing. Profit-sharing system with *mudharabah* financing and *musharakah* financing model are business activities that are carried out to earn profit, of course, by paying attention to financial, social, and cost efficiency aspects (Anis et al., 2023). However, every financing made by Islamic banks to customers can pose the risk of non-performing loans (Fakhrunnas et al., 2022) which will have an impact on profitability. In addition, during the Covid-19 pandemic, it also decreased profitability because operating costs were greater and NPF tended to increase (Afkar & Fauziyah, 2021). It interesting to see from the perspective which is more comprehensive than the profit-sharing system in Islamic banks.

It should be noted that the banking financial phenomenon in Indonesia at the time of the Covid-19 pandemic, almost all financial sectors and the real sector were affected, such as the prediction at the end of 2021 that Islamic banks experienced decline in profits to the point of having an impact on losses (Afkar & Fauziyah, 2021). The decrease in profit occurs due to decrease in the amount of sharia financing provided or defaults from customers called Non-Performing Financing (NPF) (Shawaqfeh et al., 2024) Even though financial technology has developed and provides convenience. Therefore, Islamic banks are encouraged to be more selective in distributing financing and maintaining capital adequacy, at least paying attention to the principle of prudence based on the bank health criteria (Nasir et al., 2022). It indicates that capital, liquidity, and NPF are internal factors that affect the financial performance of Islamic banks (Ahmad Munawar & Sulaeman, 2023). In addition, the total financing provided to customers is the main performance of Islamic banks during the Covid-19 pandemic (Riani & Ikhwan, 2022), which in the end will always be overshadowed by defaults from customers.

The problem of default arising from financing with profit-sharing system is of particular concern because profit-sharing financing is type of financing that requires trust between the parties involved in the contract (Sanurdi, 2019). This belief can be seen from the *mudharabah* contract and the *musharakah* contract. *Mudharabah* contract gives full trust to the customer by providing 100% funding and bearing 100% of the financial loss, while the *musharakah* contract gives trust to the customer by depositing capital and losses are borne by each party according to the capital set. The two contracts also share profits according to the agreement, which is reflected in the Islamic economic and financial approach (Maghfirah, 2022). It makes it possible to manage the performance of Islamic banks under the pressure of Covid-19 (Boubaker et al., 2023)

Financing disbursement carried out with a profit-sharing system after the Covid-19 pandemic can contribute to the level of profitability for the sustainability and development of Islamic banks (Muthoifin et al., 2024). Financial performance through profitability can strengthen the characteristics of the profit-sharing system and improve trust in Islamic banks (Hanafi, 2021). However, with this revenue-sharing system, NPF is always overshadowed by the occurrence of NPF which can cause decrease in the ability of Islamic banks to obtain income from financing distribution (Nasokha & Yudiana, 2022). Therefore, NPF needs to be managed according to the bank's health criteria, so that it can maximize the level of profitability, considering that the risk of financing with profit-sharing system is quite high.

The phenomenon that has occurred in Islamic banks during and after the Covid-19 pandemic since 2020 until now shows fluctuations in the level of profit obtained, especially in 2022 and 2023 showing an increase in average profit every year of 2.01% and 2.05%, but in 2024 it will decrease to 1.98% based on data from the Financial Services Authority (OJK). Its shows indications that there are factors that cause decrease in profits, it possible that it is NPF. Why is that? because NPFs directly affect and weaken the level of profitability (Afkar et al., 2020) and (Hidayat et al., 2021). As explained (Maity & Sahu, 2022) that NPF is capable of weakening up to 15% in Yemeni banks. Surprisingly, some studies explain that NPF has an effect on profitability but not moderation (Maryani et al., 2024) and (Nasokha & Yudiana, 2022). Its indicates that there are research problems in the form of inconsistencies in research results so that it has not explained the certainty of NPF as moderation or not.

The emergence of NPF is indeed from the financing that is distributed during and after the Covid-19 pandemic, even though the profit-sharing system has contribution to the financial performance of Islamic banks, especially in *musharakah* transactions (Hanafi, 2021) and can be done with the *mutanaqisah musharakah* contract (Muqorobin & Kurniawan, 2022), while *mudharabah* transactions contribute to the second level (Majalis et al., 2021), in addition to *mudharabah* can also be designed in the form of equity (Wibisono et al., 2024). Its means that the profit-sharing system run by Islamic banks has contribution to profit so that it will have an impact on business sustainability (Stalia et al., 2024). Its shows an indication of the urgency of *musharakah* (Saputro et al., 2024) and the urgency of *mudharabah* (Stalia et al., 2024) as profit-sharing system that is optimally managed by paying attention to profitability. It should be noted that there is potential that emerges from this research is the certainty of the role of NPF in the result-sharing system so that research results that support the theory or not will be obtained.

Potential role of NPF in moderating the profit-sharing system and profitability of Islamic banks can ultimately have implications for the loyalty and trust of customers as well as Muslim and non-Muslim communities (Djawas et al., 2023), because in general Muslims will consistently accept their religiosity in sharia transactions (Ali et al., 2024), so that it is able to compete with conventional systems (Maulana et al., 2024). Therefore, Islamic banking must implement profit-sharing financing with an Islamic concept so that it is able to minimize the occurrence of problematic financing (Asiyah et al., 2019). This potential will provide an overview of the occurrence of bad debt from the profit-sharing system that every distribution of financing to customers through *mudharabah* and *musharakah* schemes with the type of contracts that hold high trust, turns out to still cause problems in payments.

The profit-sharing system through *mudharabah* financing and *musharakah* financing will provide opportunities to earn profits for Islamic banks, but it is still necessary to be vigilant to manage the occurrence of bad debt. We know that the distribution of *mudharabah* financing is able to contribute profits (Musfiroh et al., 2024), as well as the *musharakah* financing (Lestari & Anwar, 2021) for Islamic banks. However, it is still necessary to manage to reduce the occurrence of NPF with the concept of prudence (Asiyah et al., 2019) thus providing more significant percentage of profit in the increasingly competitive era of financial technology (Hakim, 2023).

Point of View sharia accounting to see the contribution of the profit-sharing system is the purpose of this study to ensure the role of NPF as variable that is able to weaken the profit acquisition of Islamic banks in conditions before, during, and after the Covid-19 pandemic. It makes it possible to obtain a financing model to contribute to Islamic banks because in theory *mudharabah* financing and *musharakah* financing are ideal and have the potential for profit, but in practice *mudharabah* financing and *musharakah* financing have not become the main standard for Islamic banks (Rufaida, 2024), so that type of financing is needed from profit-sharing system that is able to maintain financial stability (Addury & Ramadhani, 2024). In addition, to ensure the consistency of moderation from NPF to profitability through profit-sharing system, because financing that is not flowing results in losses (Shonhadji, 2020), but in other studies, there was research gap in the form of inconsistencies in research results that emphasized the role of NPF in the profit-sharing system on profitability.

LITERATURE REVIEW

Exchange and Mixing Theory

Exchange and mixing theory are two important concepts in Islamic economics, especially in the context of Islamic banking. Exchange Theory (natural certainty contracts) describes transactions that involve the exchange of goods or services with certainty, while the mixing theory (natural uncertainty contracts) describes transactions that involve risk and uncertainty (Sanurdi, 2019). These two theories are very important in Islamic banking because they help determine the type of contract that is in accordance with Islamic principles. Exchange theory is used for certainty-oriented transactions, while blending theory is used for risk-oriented transactions and profit potential. This mixing can occur due to the lack of ability to establish a business so that it requires the help of the whole (*mudharabah)* and cooperation *(musharakah)* from other parties. With lack both in terms of capital and the ability in this case expertise, the parties who want to carry out a transaction apply several ways that can make it easier for them(Sanurdi, 2019).

Table 1. Difference of Exchange and Mixing Theory

Aspects	Exchange Theory	Mixing Theory
Certainty	There is certainty in the amount and time	No certainty in the amount and time
Risk	Risk borne by the debtor	Shared risk
Example of Contract	Buying and selling, rent, debt	Profit Sharing
Advantage	Definite benefits	Uncertain profits, depending on business outcomes

Source: Personal Data (2025)

Profit-Sharing System

Profit-sharing system is a sharia transaction that is carried out with profit-sharing agreement and a risk sharing agreement according to the contract (Muthoifin et al., 2024). It can be done by means of the *Mudharabah* contract and the *Musharakah* contract (Sanurdi, 2019). This system does not use interest for transactions, but rather uses profit-sharing system of profits and losses of the business that is carried out so that there is fairness in terms of contributions and business failures. Profit-sharing system is one of the sharia financing products provided by Islamic banks for types of investment in the financial system (Indrastomo, 2023). Justice in the distribution of profits and risk of loss is goal to be achieved in Islamic sharia or called *maqasid* sharia (Bashori et al., 2024).

Mudharabah is cooperation contract in business between two parties, where the first party *(shahibul maal)* provides all the capital, while the second party *(mudharib)* acts as the manager of the business capital (Tarmizi et al., 2024). The profits from *Mudarabah's* business are divided according to the agreement in the contract. Meanwhile, losses are borne by the capital owner, unless the loss is caused by the negligence of the manager. If the loss occurs due to negligence or fraud from the manager, then the manager is responsible for the loss (Rufaida, 2024).

Musharakah is cooperation agreement between two or more parties to carry out certain business in accordance with Islamic sharia principles, where each party contributes funds, skills, or expertise and agrees to share profits and risks together in accordance with the agreement that has been set (Rufaida, 2024). *Musharakah* is cooperation agreement in business between two or more parties, in which each party contributes funds and agrees to share profits and risks together (Nazwa & Hasbi, 2021). In *Musharakah*, the distribution of profits is according to the agreement, while the risk of loss is divided according to the portion of the capital deposit of each party involved in the contract (Zuoby & Mas'ad, 2022).

Non-Performing Financing (NPF)

NPF is problematic financing that occurs due to a default from financing customer. NPF is credit risk that indirectly follows the financing disbursed, in other words every financing disbursed will give rise to bad debt (Nasokha & Yudiana, 2022). Financing that is not flowing results in losses for banks because they do not receive profits from the financing distributed (Shonhadji, 2020). The type of NPF can be categorized as substandard, doubtful, and loss (Asiyah et al., 2019). Highest of NPF can indicate large credit risk that can reduce the income and profits of Islamic banks. NPF is caused by internal bank problems in the financing approval process or financial difficulties faced by customers (Afkar et al., 2020). NPF at the time of Covid-19 showed an increase resulting in a decrease in Islamic bank profits (Afkar & Fauziyah, 2021).

NPF in practice has an impact on the profitability of Islamic banks, so it is necessary to manage a balanced balance between NPF and profitability in order to focus on distributing financing to customers (Afkar, 2018). NPF from the profit-sharing system appears not suddenly but because of financing that customers cannot repay due to difficulties in managing their business or experiencing business failure. Finally, every type of credit distribution will always be overshadowed by payment difficulties from customers which results in the emergence of NPF. NPF shows the ability of Islamic banks to manage non-performing assets disbursed through financing (Lubis et al., 2024). NPF is a credit risk that arises due to problems in the rate of return by customers to Islamic banks (Widarjono & Rudatin, 2021). According to the Financial Services Authority (OJK), the NPF size is still within the reasonable limit of up to 5%.

Profitability

Profitability has an important role for Islamic banks which is used to measure their ability to earn profits through their assets and as the effectiveness of business management over a certain period (Nasokha & Yudiana, 2022). One measure of profitability can be measured using Return on Asset (ROA). Profitability calculation using ROA is more generally recognized because it focuses on managing all assets owned to earn profits (Asiyah et al., 2019). Profitability can be used as one of the performance of Islamic banks for business sustainability, the greater the ROA, the better and healthier the performance of Islamic banks. However, during the Covid-19 pandemic, the profitability level of Islamic banks tended to decline (Afkar & Fauziyah, 2021).

ROA is the ratio of the level of profitability measurement used by Islamic banks. Profitability is the ability of company to earn profit from the assets it owns (Muksal, 2018). Profitability is one of the requirements for business sustainability which is reflected in the financial performance of Islamic banks (Dalimunthe, 2018). The ratio that is often used to measure the level of profitability of Islamic banks in general is ROA because the calculation uses all assets owned so that it will be seen that its ability to manage productive assets will be seen.

Hypothesis Development

Profit-sharing system with the *Mudharabah* contract is type of sharia financing that is categorized as investment because there are two parties who agree to manage the business with their respective roles. *Mudharabah* financing in practice can contribute to the profitability of Islamic banks (Musfiroh et al., 2024). Likewise with (Lestari & Anwar, 2021) explained that profitability measured by ROA can be influenced by *mudharabah* financing. The contribution of *mudharabah* financing to be able to increase its role as profit-sharing system that can increase profits (Muthoifin et al., 2024). Point of view mixing theory explains that the mixing of assets and money in *mudharabah* contracts in business that is managed by the same is aimed at obtaining profits (Sanurdi, 2019). The profits will be divided according to the agreement,

while the risk of financial loss is borne by the *shahibul maal* (the owner of the fund. In principle, the profit-sharing system with *mudharabah* contract is able to contribute to profitability because basically the sharia financing that is distributed is business activity of an Islamic bank to earn profit.
H1: Profit-sharing system with *Mudharabah* financing has effect on profitability

Musharakah is type of profit-sharing system that is carried out by collaborating to manage business according to sharia principles, where each party contributes to depositing capital with each other (Muthoifin et al., 2024). It sharia financing scheme distributed by Islamic banks with the aim of making profit. As explained by the fact that the profitability of Islamic banks can be influenced by *musharakah* financing (Sari & Maharani, 2022) and (Bahri, 2022). However, research (Lestari & Anwar, 2021) shows different results, namely *musharakah* financing does not affect the profitability of Islamic banks. The point of view of mixing theory explains that there is mixture of assets and money in *musharakah* transactions by depositing capital with each other to manage a business with the aim of making a profit. The mixing in the profit-sharing system shows the distribution of profits according to the agreement, while the risk of loss will be divided according to the paid-up capital (Sanurdi, 2019). In this case, it shows that every sharia financing distributed by sharia banks to customers has the potential to earn profit.
H2: Profit-sharing system with *Musharakah* financing effect on profitability

Before the Covid-19 pandemic, NPFs from the profit-sharing system always appeared when Islamic banks distributed financing (Afkar, 2018) As in *mudharabah* financing, as well as when there is a Covid-19 pandemic and after Covid-19 is declared over, NPF always overshadows every Islamic bank financing. NPF is problematic financing with the category of substandard, doubtful, and loss (Asiyah et al., 2019). NPF is financing that occurs due to difficulties in payment according to the agreement between the customer and Islamic bank. Direct impact during the Covid-19 pandemic of payment difficulties affects the level of profitability of Islamic banks (Afkar et al., 2020), as well as NPF is able to moderate the profit-sharing system through *mudharabah* financing and *musharakah* financing on profitability. In addition to profitability, it turns out that operational costs can also be moderated by NPF so that operations become inefficient (Hidayat et al., 2021), which will further have an impact on the profit of Islamic banks. However, the performance of Islamic banks during Covid-19 tends to decline (Demirgüç-Kunt et al., 2021).
H3: Profit-sharing system with *Mudharabah* financing and profitability moderated by Non-Performing Financing during the covid-19 pandemic

NPF in Islamic banks during the Covid-19 pandemic can weaken profit generation (Afkar & Fauziyah, 2021). In theory, the NPF that arises from profit-sharing financing will affect the decline in the level of profitability so that it plays a role in weakening the ability of Islamic banks to make a profit. Although before Covid-19 in fact Islamic banks have carried out the principle of prudence in distributing profit-sharing financing (Asiyah et al., 2019). However, in practice some studies show results that differ from the theory because the risk of financial management is greater during Covid-19 (McAleer, 2020). As explained, NPF has an effect on the profitability of Islamic banks, but it is not moderation variable (Maryani et al., 2024) and (Nasokha & Yudiana, 2022), so that NPF does not play role in weakening the profitability of Islamic banks. Other research by (Lestari & Anwar, 2021) shows that *mudharabah* with profitability can be moderated by NPF, but NPF is not able to moderate *musharakah* with profitability. However, there is a difference in research results, in theory it is explained that NPF arises because of financing provided with the aim of obtaining profits, so that the occurrence of NPF can affect the decrease in profitability.
H4: Profit-sharing system with *Musharakah* financing and profitability moderated by Non-Performing Financing during the covid-19 pandemic

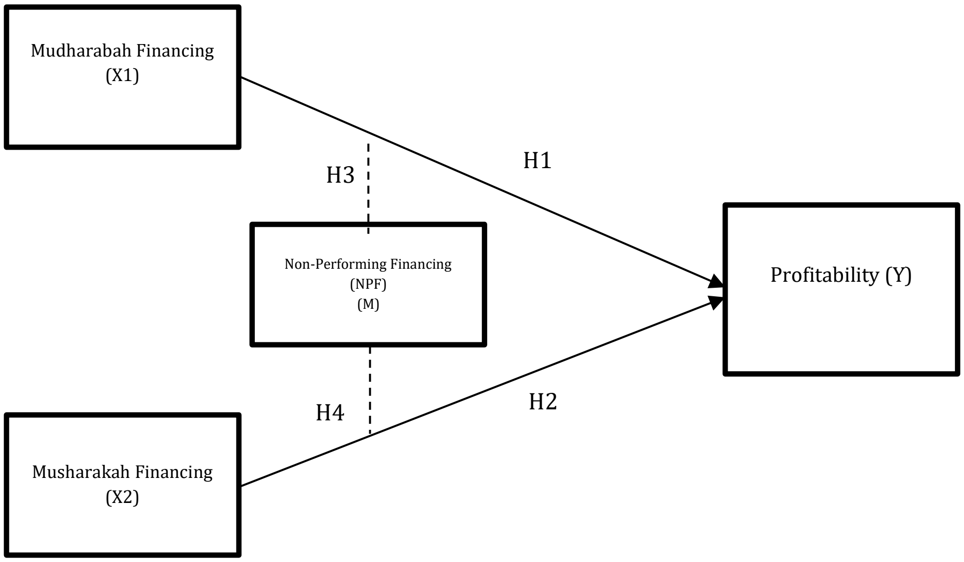


Figure 1. Conceptual Framework

RESEARCH METHOD

This study uses quantitative approach because it aims to explain the perspective of the Islamic bank revenue-sharing system with NPF moderation with statistical calculations. Sharia Commercial Banks in Indonesia totaled 14 used as research samples with saturated samples as sampling techniques. Data documentation is obtained from the combined Financial Statements of Sharia Commercial Banks registered with the Financial Services Authority (OJK) for the time series period 2018 – 2024. The period before the covid-19 pandemic is 2018-2019, then the period during covid-19 pandemic is 2020-2022, and the period after the covid-19 pandemic is 2023-2024. The assumption of the use of the data represents fluctuations in profitability during the covid-19 transition period and after the end of covid-19 so that it can be seen as data that can represent the current financial condition. These considerations are also the basis for providing an overview of the role of the profit-sharing system as variable that determines or obstacles the development of Islamic banks.

There are 4(four) variables in this study, which consist of 2(two) independent variables, 1(one) dependent variable, and 1(one) moderation variable. The independent variables in this study are *Mudharabah* Financing (X1) and *Musharakah* Financing (X2). The four variables will be conveyed with calculations that are in accordance with the measuring tool with the ratio scale.

Mudharabah financing (X1) is a cooperation agreement between the bank *(shahibul maal)* and the customer *(mudharib)* to run a business or project, with the bank providing funds and the customer managing the business. Profits of the business are divided based on the agreed ratio, and the losses are borne by the *mudharib* (manager) if they are caused by their negligence (Karim, 2020). *Musharakah* financing (X2) is form of business cooperation between two or more parties, where each party contributes capital and cooperation to run certain business. Profits and losses will be divided according to the agreed ratio or proportion of the respective capital (Karim, 2020).

Profitability (Y) is the ability of company to generate profits or profits. It is measured through various financial ratios that show how the company manages assets, sales, and capital to generate profits (Afkar, 2015).

Non-Performing Financing (NPF) (M) is term that refers to financing that has problems in its payment, either partially or fully by customers to Islamic financial institutions. NPF indicates the level of credit risk and can affect the financial performance of Islamic banks (Afkar, 2015).

Table 2. Measurement of Research Variables

No	Variables	Measurement (Ratio)
1	Mudharabah Financing (X1)	$\frac{\text{Mudharabah Financing}}{\text{Total Financing}}$
2	Musharakah Financing (X2)	$\frac{\text{Musharakah Financing}}{\text{Total Financing}}$
3	Profitability (Y)	$\frac{\text{Earning After Tax}}{\text{Total Assets}}$
4	Non-Performing Financing (M)	$\frac{\text{Bad Debt}}{\text{Total Financing}}$

Source: Personal Data (2025)

Moderating regression analysis (MRA) and Slope Analysis is used as data analysis technique (Rahadi & Farid, 2021). MRA is often used in previous studies using Smart PLS-SEM, AMOS, and other media. Smart PLS-SEM and AMOS are not used because the tool can be used when the variables used are latent variables or variables that still need to be measured with certain research instruments such as questionnaires with specified measurement scale. While the variables in this study include the type of Manifest variable that can be directly measured using the original unit or using formulas (Solimun et al., 2017). MRA in this study used JAMOVI media to prove the role of moderation in the Benefit-sharing System and Slope Analysis was used to determine the difference in the contribution of moderation before, during, and after the covid-19 pandemic. MRA in this study uses JAMOVI media because it is to obtain an in-depth study with slope analysis in order to obtain research findings from different perspective, namely the contribution of NPF before, during, and after the covid-19 pandemic. Before conducting data analysis, the next step is to test assumptions in the form of normality, multicollinearity, autocorrelation, and heteroscedasticity as condition to ensure the feasibility of the data used. Hypothesis testing was carried out partially to determine the contribution of each independent variable to the dependent variable, while subsequent hypothesis testing was carried out to determine the contribution of each variable.

RESULTS AND DISCUSSION

Results

The results of this research were obtained through sequential analysis starting from the presentation of descriptive statistics to obtain an overview of the value of each variable. Furthermore, the results of the analysis test assumed the feasibility of data through normality, avoided direct relationships between moderation, independent, and dependent variables through multicollinearity, avoided direct relationships between independent variables through autocorrelation, and ensured homogeneous data through heteroscedasticity.

Table 3 shows the descriptive statistics of the data collected. A total of 84 data was obtained from the combined financial statements for the 2018-2024 period. The data shows a mean value from 1.31 to 6.14, while the standard deviation value starts from 0.143 to 0.290, the result shows that the standard deviation value is smaller than the mean, meaning that the data collected tends to be homogeneous because it is close to the mean value with a very small distribution variance of 0.0204 to 0.0842. These descriptive statistics show that the data used in this study is suitable as basis for analysis.

Table 3. Statistic Descriptives

Descriptives

	Profitability (Y)	NPF (M)	Mudharabah Financing (X1)	Musharakah Financing (X2)
N	84	84	84	84
Missing	0	0	0	0
Mean	1.31	1.72	1.36	6.14
Median	1.37	1.79	1.27	6.12
Mode	1.43	1.43	0.986	5.62
Sum	110	145	114	516
Standard deviation	0.143	0.209	0.223	0.29
Variance	0.0204	0.0437	0.0496	0.0842
Minimum	0.646	1.43	0.986	5.59
Maximum	1.47	2.28	1.85	6.81

[a] More than one mode exists, only the first is reported

Source: Data processed – JAMOVI (2025)

Table 4 shows the results of the assumption test that has been carried out with the aim of ensuring the feasibility of the data so that it can be used in data analysis. The results of the normality test obtained a significance value of 0.313 > 0.05, so it can be assumed that the data collected is normally distributed. The results of the autocorrelation test obtained value of 1,52 < 2.35, so it can be assumed that there is no autocorrelation or similarity of variants between independent variables. The results of heteroscedasticity were obtained with significance value of 0.997 > 0.05, so it can be interpreted that the data collected is homogeneous. Furthermore, the results of the multicollinearity test were obtained for the variable X1 with value of VIF = 3.67 and Tolerance = 0.273, while X2 with a value of VIF = 2.65 and Tolerance = 0.377, and finally the variable M with value of VIF = 0.539 and Tolerance = 0.185, so it can be interpreted that there is no similarity of variants between the free variable and the moderation variable in the dependent variable.

Table 4. Assumption Test Results

No	Test	Condition	Result	Results
1	Normality	Sig > 0.05	0.313	Normal
2	Auticorrelation	DW < 2.35	1.52	fit
3	Heteroskedasticity	Sig > 0.05	0.997	fit
4	Multicolinierity	LIVE < 10 Tolerance < 1	X1 VIF = 3.67 Tolerance = 0.273	fit
			X2 VIF = 2.65 Tolerance = 0.377	
			M VIF = 5.39 Tolerance = 0.185	

Source: Data processed – JAMOVI (2025)

Partial Test

Table 5 shows the results of the hypothesis test partially to determine whether or not there is partial influence of the free variable on the bound variable. To find out the influence of each variable, there are conditions that must be met, namely the t_{count} value > t_{table} with significance level of $\leq$ 0.05. The t_{count} value is obtained from the results of data processing, while the t_{table} value is obtained with the degree of freedom n-k-1. It can be explained that n = number of observations, k = number of independent variables. So that a t_{table} value of 1.989 was obtained.

Table 5. Partial Test Results

Model Coefficients - Profitability (Y)

Predictor	**Estimate**	**SE**	**t**	**p**
Intercept	3.0119	0.4032	7.47	< .001
Mudharabah Financing (X1)	-0.2061	0.0756	-2.73	0.008
Musharakah Financing (X2)	-0.0984	0.0493	-1.99	0.049

Source: Data processed – JAMOVI (2025)

The results of the partial test of the *mudharabah* financing (X1) on Profitability (Y) were obtained with t_{count} = 2.73 > t_{table} = 1.989, with significance level of p-value = 0.008. In addition, an estimate value or coefficient of -0.2061 was also obtained. Based on this calculation, it can be explained that *mudharabah* financing (X1) has significant effect on profitability (Y). Negative coefficient value explains that every increase in *mudharabah* financing (X1) will cause significant decrease in the level of profitability (Y).

The results of the partial test of the *musharakah* financing (X2) on Profitability (Y) were obtained with t_{count} = 1.99 > t_{table} = 1.98, with significance level of p-value = 0.049. In addition, an estimate value or coefficient of 0.0208 was also obtained. Based on this calculation, it can be explained that *musharakah* financing (X2) has significant effect on profitability (Y). Negative coefficient value explains that every increase in *musharakah* financing (X2) will cause significant decrease in the level of profitability (Y).

Moderation Test

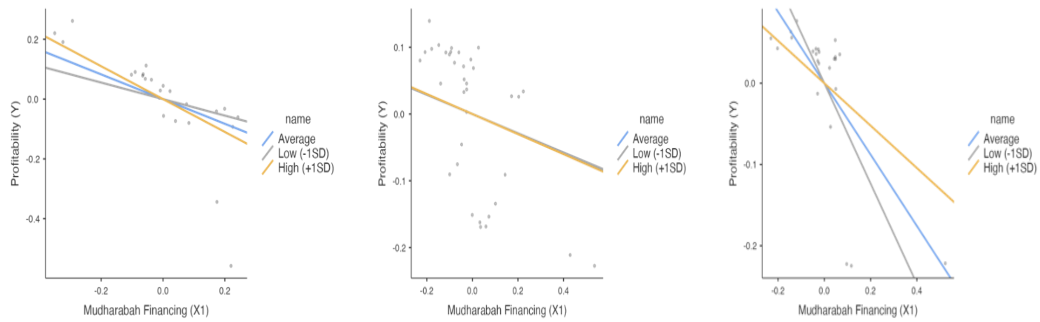
Table 6. Moderation Test Results

Moderation Estimates

	Estimate	**SE**	**With**	**p**
Mudharabah Financing (X1)	-0.157	0.0462	-3.40	< .001
NPF (M)	-0.344	0.0405	-8.49	< .001
Mudharabah Financing (X1) * NPF (M)	-0.479	0.1871	-2.56	0.010
Musharakah Financing (X2)	-0.0686	0.0295	-2.33	0.020
NPF (M)	-0.6085	0.0409	-14.86	< .001
Musharakah Financing (X2) * NPF (M)	0.3623	0.1208	3.00	0.003

Source: Data processed – JAMOVI (2025)

Table 6 shows the calculation results for the hypothesis test using the moderation variable. The results of the first moderation calculation X1*M obtained significance p-value = 0.010 < 0.05. Based on the results of the calculation, it can be explained that NPF (M) can moderate *mudharabah* financing (X1) to profitability (Y). Meanwhile, the results of the second moderation calculation X2*M obtained significance p-value = 0.003 < 0.05. Based on the results of these calculations, it can be explained that NPF (M) can moderate *musharakah* financing (X2) to profitability (Y). Therefore, based on the results of these calculations, it can be interpreted that NPF (M) can moderate *mudharabah* financing (X1) and *musharakah* financing (X2) to profitability (Y).



A. Before B. During C. After

Figure 2. Simple Slope Plot for Moderating NPF through *Mudharabah* Financing

Figure 2 explained the results of NPF moderation before, during, and after the Covid-19 pandemic. Figure (A. Before) shows that before the Covid-19 pandemic, NPF could weaken the profitability of *mudharabah* financing distribution. The image (B. During) shows that during the covid-19 pandemic, NPF did not weaken the profitability of the distribution of *mudharabah* financing. Figure (C.After) shows that after the covid-19 pandemic, NPF can also weaken the profitability of *mudharabah* financing distribution. Thus, NPF can moderate *mudharabah* financing and profitability before and after the covid-19 pandemic, while during the covid-19 pandemic NPF does not moderate *mudharabah* financing and profitability.

Table 7. Simple Slope Analysis for Moderating NPF to Profitability by *Mudharabah* Financing

Simple Slope Estimates

			Estimate	SE	With	p
Before covid-19 pandemic	X1 * M	Average	-0.413	0.116	-3.56	< .001
		Low (-1SD)	-0.276	0.136	-2.03	0.042
		High (+1SD)	-0.549	0.151	-3.64	< .001
During covid-19 pandemic	X1 * M	Average	-0.147	0.1056	-1.393	0.164
		Low (-1SD)	-0.144	0.1512	-0.952	0.341
		High (+1SD)	-0.150	0.0816	-1.841	0.066
After covid-19 pandemic	X1 * M	Average	-0.439	0.0901	-4.88	< .001
		Low (-1SD)	-0.617	0.1183	-5.22	< .001
		High (+1SD)	-0.261	0.0746	-3.5	< .001

Note. shows the effect of the predictor (*Mudharabah* Financing (X1) on the dependent variable (Profitability (Y) at different levels of the moderator (NPF (M)

Table 7 shows the results of slope analysis to see the role of NPF (M) between *mudharabah* financing (X1) and profitability (Y) before, during, and after the covid-19 pandemic at average, low, and high levels. That is, providing an explanation of the moderation variable with certain condition so that it is known that the time is actually moderation. The level of significance used as condition is as base, namely the p-value ≤ 0.05.

The results of first analysis showed that the NPF variable (M) before the covid-19 pandemic was obtained at an average level of p-value <0.001 < 0.05, at low p-value = 0.042 < 0.05, and at high time p-value <0.001 < 0.05 was obtained. It means that before the Covid-19 pandemic, the amount of NPF (M) at average, low, and high levels was able to moderate significantly between *mudharabah* financing (X1) and profitability (Y).

The results of second analysis showed that the NPF variable (M) during the covid-19 pandemic was obtained at an average level of p-value = 0.164 > 0.05, at low p-value =0.341 > 0.05, and at high time p-value = 0.066 > 0.05 was obtained. It means that during the Covid-19 pandemic, the amount of NPF (M) at average, low, and high levels turned out to be unable to moderate between *mudharabah* financing (X1) and Profitability (Y).

The results of the third analysis showed that the NPF variable (M) after the covid-19 pandemic was obtained at an average level of p-value <0.001 < 0.05, at low p-value <0.0001 < 0.05, and at high p-value <0.001 < 0.05. It means that after the Covid-19 pandemic, the amount of NPF (M) at average, low, and high levels turned out to be able to moderate significantly between *mudharabah* financing (X1) and Profitability (Y).

Table 8. Simple Slope Analysis for Moderating NPF to Profitability by *Musharakah* Financing

Simple Slope Estimates

			Estimate	SE	With	p
Before covid-19 pandemic	X2 * M	Average	-0.0170	0.0946	-0.18	0.857
		Low (-1SD)	-0.0916	0.0905	-1.012	0.311
		High (+1SD)	0.0576	0.1245	0.463	0.644
During covid-19 pandemic	X2 * M	Average	-0.1696	0.1459	-1.16	0.245
		Low (-1SD)	-0.2442	0.2155	-1.13	0.257
		High (+1SD)	-0.0951	0.0945	-1.01	0.315
After covid-19 pandemic	X2 * M	Average	-0.177	0.0384	-4.62	< .001
		Low (-1SD)	-0.148	0.0525	-2.82	0.005
		High (+1SD)	-0.207	0.034	-6.08	< .001

Note. shows the effect of the predictor (*Musharakah* Financing (X2) on the dependent variable (Profitability (Y) at different levels of the moderator (NPF (M)

Table 8 shows the results of slope analysis to see the role of NPF (M) between *musharakah* financing (X1) and profitability (Y) before, during, and after the covid-19 pandemic at average, low, and high levels. That is, providing an explanation of the moderation variable with certain condition so that it is known that the time is actually moderation. The level of significance used as condition is base, namely the p-value ≤ 0.05.

The results of first analysis showed that the NPF variable (M) before the covid-19 pandemic was obtained at an average level of p-value = 0.8571 > 0.05, at low p-value = 0.311 > 0.05, and at high time p-value = 0.644 > 0.05 was obtained. It means that before the Covid-19 pandemic, the amount of NPF (M) at average, low, and high levels was not able to moderate between *musharakah* financing (X2) and Profitability (Y).

The results of second analysis showed that the NPF variable (M) during the covid-19 pandemic was obtained at an average level of p-value = 0.245 > 0.05, at low p- value = 0.257 > 0.05, and at high time p-value = 0.315 > 0.05 was obtained. It means that during the Covid-19 pandemic, the amount of NPF (M) at average, low, and high levels turned out to be unable to moderate significantly between *musharakah* financing (X2) and Profitability (Y).

The results of third analysis showed that the NPF variable (M) after the covid-19 pandemic was obtained at an average level of p-value <0.001 < 0.05, at low time p-value was obtained = 0.005 < 0.05, and at high time p-value <0.001 < 0.05 was obtained. It means that after the Covid-19 pandemic, the amount of NPF (M) at the average, low, and high levels of the results turned out to be able to moderate between *musharakah* financing (X2) and Profitability (Y).

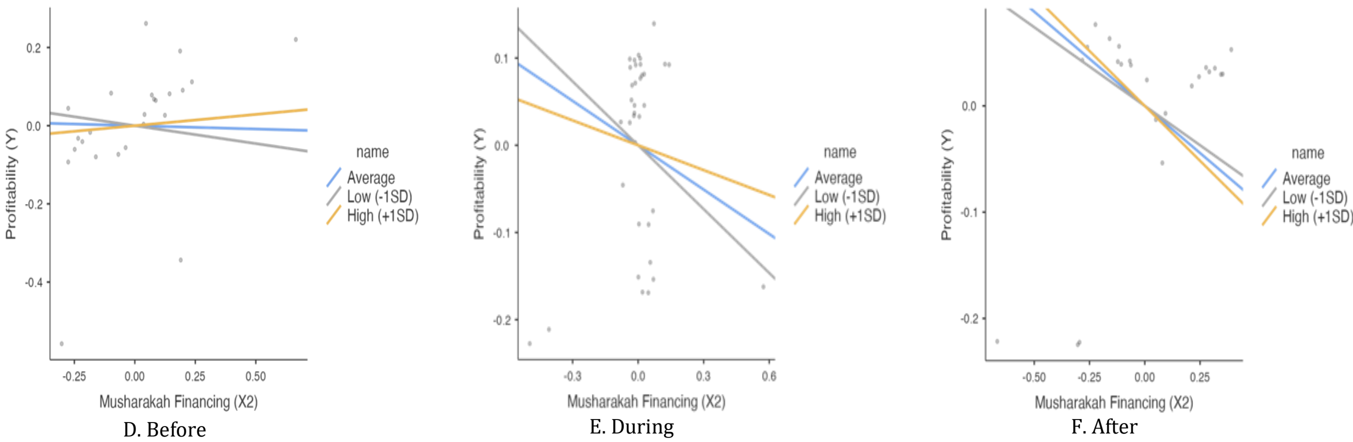


Figure 3. Simple Slope Plot for Moderating NPF through *Musharakah* Financing

Figure 3 explained the results of NPF moderation before, during, and after the Covid-19 pandemic. Figure (D. Before) shows that before the covid-19 pandemic, NPF could not weaken the profitability of the distribution of *musharakah* financing. The image (E. During) shows that during the covid-19 pandemic, NPF could not weaken the profitability of the distribution of *musharakah* financing. Figure (F.After) shows that after the covid-19 pandemic, NPF can weaken the profitability of the distribution of *musharakah* financing. Thus, NPF can moderate *musharakah* financing and profitability after the covid-19 pandemic, while before and during the covid-19 pandemic NPF does not moderate *musharakah* financing and profitability.

Discussion

Effect of Profit-Sharing System with Mudharabah Financing on Profitability

Profitability is one of the targets in the health of the financial performance of Islamic banks for the sustainability of their business activities through financing. *Mudharabah* financing is one of the sharia financing products with profit-sharing system that is distributed to get profits. Point of view of the Mixing theory explains that there is an inability to establish business so that it requires financing (Sanurdi, 2019), in this case it is fully financed by Sharia Banks. Results of this study show that mudharabah financing directly contributes significantly to profitability through the mixing of assets and skills between Islamic banks and customers, in accordance with the Mixing Theory. In line with (Lestari & Anwar, 2021) which explains the significant influence of *mudharabah* financing on profitability, and can also increase income (Aminarti & Firdaus, 2024). Significant influence in the future will have positive impact on the development and expansion of Islamic bank business activities in Indonesia if the distribution of *mudharabah* financing is carried out with caution. Because in practice, the profit-sharing system through *mudharabah* financing can contribute to the profitability and development of Islamic banks (Muthoifin et al., 2024). The problem in this study is that *mudharabah* financing contributes to profitability but with negative coefficient, meaning that when Islamic banks distribute more and more *mudharabah* financing, the level of profitability decreases. Indeed, this research is in line with (Agustin et al., 2018) which explains the inverse influence of *mudharabah* on profitability. In theory, *mudharabah* financing should have positive effect on profitability, as explained in the research (Bahri, 2022).

Apart from the negative and positive contribution of *Mudharabah* financing to profitability, it should be noted that every financing distribution is always overshadowed by credit risk. However, *mudharabah* financing still has the potential to provide high income because it is designed with profit sharing based on agreements and financial risks are borne by Islamic banks (Wahidah et al., 2024). Although risky for Islamic banks, this type of financing remains misconception of profitability with Islamic sharia principles (Kamaruzaman, 2023). When viewed from the point of view of mixing theory (Sanurdi, 2019) It can be explained that *Shahibul Maal* (Islamic bank) gives full trust to the *mudharib* (customer) in managing the business to get profits with the principle of sharing results. It can be seen that in the profit-sharing system there is division of profits and risk sharing because in *mudharabah* financing there are funds handed over by Islamic banks to customers to be managed in the form of business that has not provided income certainty. In the end, when the business earn profit, it will be divided according to the agreement, but when it suffers a loss, it will be borne by the Islamic bank. Implication in the mixing theory is that when Islamic banks provide *mudharabah* financing to customers, there is help in establishing business for customers and banks benefit from the financing in accordance with the agreement even though there is still looming risk of loss.

Effect of Profit-Sharing System with Musharakah Financing on Profitability

Mixing Theory shows that there is cooperation in establishing business that can be done by depositing capital with each other to get profits. *Musharakah* financing scheme is profit-sharing system used by Islamic banks to obtain profits by collaborating with the second party in running business. Results of this study show that the profit-sharing system through *musharakah* financing contributes to the profitability of Islamic banks in Indonesia the contribution is negative, meaning that any increase in *musharakah* financing distributed will have an impact on decreasing profitability. Rising profitability provides the potential for better Islamic bank health. In line with (Bahri, 2022) said on the contrary that *musharakah* financing contributes negatively to profitability. In line (Herawati et al., 2024) which explains from legal perspective, that *musharakah* is profit-sharing system that is able to contribute to profitability. Contribution of *musharakah* financing to the profitability of Islamic banks is indeed not as large as the contribution of *mudharabah* financing, but from the point of view of the Mixing Theory, it has been achieved that joint business management is able to contribute profits which will ultimately be divided according to the agreement in the contract. In line with (Zuoby & Mas'ad, 2022) which explains that the *musharakah* contract is promising financing model. However, it is in conflict (Lestari & Anwar, 2021) that *musharakah* financing does not contribute to the profitability of Islamic banks.

Musharakah financing is profit-sharing system that provides opportunities for customers to cooperate in managing their business by contributing to each other through capital deposits, because there is an inability of one party to establish business (Sanurdi, 2019) so that it requires financing. However, the way of business cooperation for some customers becomes unattractive because some want cooperation with full financing from the capital owner. Although it is said to be less attractive, *musharakah* financing has greater potential than *mudharabah* when viewed from the perspective of customer desires (Afkar & Fauziyah, 2023). This study shows that negative contribution or it can be said that *mudharabah* financing can have an impact on reducing profitability. Actually, if it makes positive contribution, it will have an impact on the expansion of the business of Islamic banks (Muthoifin et al., 2024). In addition, it also contributes positively to the expansion of the business of Islamic banks (Muthoifin et al., 2024). According to its characteristics, in addition to contributing to profitability, of course, there is risk arising in this contract, namely the risk of loss is divided according to the contribution of each capital deposit (Hanafi, 2021). When viewed from the point of view of mixing theory (Sanurdi, 2019), *musharakah* financing mixes assets and money simultaneously in a business so that there is an opportunity to manage together with the aim of making profit. The implication is that *musharakah* financing becomes an attractive profit-sharing system to be run to increase the profitability of Islamic banks while providing investment services to customers.

Profit Sharing System through Mudharabah Financing – Covid-19 Pandemic Perspective

Covid-19 pandemic has caused the financial system of banks and non-banks to experience negative impacts, such as declining the profitability of Islamic banks (Afkar & Fauziyah, 2021). Decline in profitability can be caused by indicators that weaken the ability of Islamic banks to earn profits through the financing provided. It is variable that Islamic banks must pay attention to because it has caused the spread of bad debt (NPF). Before the Covid-19 pandemic, NPF was a credit risk that always overshadowed the distribution of Islamic financing, as well as during and after the occurrence of Covid-19. It risk will have an impact on Islamic banks so that it can weaken the relationship between financing distribution and profitability (Afkar et al., 2020). This point of view (POV) explains that the role of NPF moderation can weaken the level of profitability when there is a default from customers before, during, and after Covid-19. Results of this study show that NPF is not able to moderate between *mudharabah* financing and profitability, meaning that the emergence of NPF among *mudharabah* financing will not weaken profitability. In line with (Lestari & Anwar, 2021) which explains that NPF is able to moderate *mudharabah* financing to profitability. This difference indicates inconsistency in the research results but is interesting to discuss, because in principle NPF can reduce profits as well as moderation (Nasir et al., 2022).

It should be noted that in this study it shows comprehensively NPF moderates profitability. However, after deeper study by looking at the differences in the situation before, during, and after the Covid-19 pandemic, it can be seen the true role of NPF. The result is that during the situation before and after the Covid-19 pandemic, the NPF that occurred was able to weaken the ability of Islamic banks in Indonesia to benefit from *mudharabah* financing. However, on the other hand, during the Covid-19 pandemic, the NPF that occurred did not weaken Islamic banks in Indonesia to benefit from *mudharabah* financing. It seems to be contrary to theory because NPF should be able to weaken the level of profitability (Afkar & Fauziyah, 2021), where the impact of the Covid-19 pandemic has paralyzed banks' ability to distribute financing and customers also have difficulty obtaining income. Findings of this study are interesting because comprehensively NPF is able to moderate between *mudharabah* financing and profitability, but under certain conditions (during the covid-19 pandemic) it is not able to be moderated, thus the results of this study are in line with(Lestari & Anwar, 2021). Although the findings of research during the covid-19 pandemic are not in accordance with the theory, before and after the occurrence of the covid-19 pandemic gave rise to NPF which had an impact on declining profitability levels. Implication of the Mixing Theory is that when Islamic banks in Indonesia continue to distribute before, during, and after the Covid-19 pandemic continue to earn profits and raise the risk of financial losses that will be borne 100% by Islamic banks because they have *shahibul maal* disbursed their assets in the form of money to finance businesses managed by *mudharib* in the form of businesses that are uncertain in terms of profits and risks.

Profit Sharing System through Musharakah Financing – Covid-19 Pandemic Perspective

Musharakah in the Theory of Mixing shows *shirkah*, which is cooperation contract between two parties for certain business, each party contribute (capital, energy, skills) and the distribution of assets according to the agreement while the distribution of losses according to contributions (Sanurdi, 2019). The collaboration involves sharia banks in sharia financing such as *musharakah* financing. *Musharakah* financing is one of the products of Islamic banks with profit-sharing system through cooperation in managing the business with the scheme of each party contributing to capital deposits (Afkar et al., 2020). *Musharakah* financing is inseparable from the occurrence of NPF which will have an impact on the ability of Islamic banks to make a profit. However, it is necessary to manage NPF properly in order to maintain the health of the financial performance of Islamic banks (Santoso et al., 2019). The results of this study show that NPF can moderate deliberative financing and profitability, meaning that the emergence of NPF is able to weaken the profitability level of Islamic banks. Consistent with (Lestari & Anwar, 2021) which explains that NPF is a moderation between *musharakah* financing and the profitability of Islamic banks. Therefore, NPF can be detrimental from financing activities (Nasir et al., 2022), so there needs to be a restructuring when NPF occurs (Fitriyanti & Arfiansyah, 2023), especially during financial turmoil such as the Covid-19 pandemic (Amin et al., 2023). However, there are also different research results (Sari & Maharani, 2022) that NPF is unable to moderate between *musharakah* financing and profitability. Responding to the difference between the results of the current research and previous research, when viewed from the perspective of mixing theory, it is clear that every mixing (capital, energy, skills) in business will generate profits and potentially cause losses, therefore it is necessary to be careful in every business activity that contains uncertainty of results.

When Covid-19 entered Indonesia in early 2020, the next situation became tense. The real sector and the financial sector are affected, such as MSMEs and national banks. Many businesses have difficulty earning income (Belesis et al., 2022) and financial performance becomes unhealthy (Koutoupis et al., 2022). This study also looks at the conditions before, during, and after the Covid-19 pandemic to ensure the contribution of NPF to Islamic banks in Indonesia. Conforms to mixing theory (Sanurdi, 2019) that every mixture of assets and money in a business will have the opportunity to get profits and carry risks that have the potential to suffer losses. Therefore, it is not wrong when every financing distributed to customers will give rise to NPF, because macro-economically it also has an impact on credit problems (Kusmayadi et al., 2017). Comprehensively, the NPF moderates *musharakah* financing and profitability, but when viewed from the perspective of the Covid-19 pandemic, the results are different. Before and during the Covid-19 pandemic, NPF was not an indicator that weakened the ability of Islamic banks to earn profits, so that Islamic banks could develop their business more expansively (Muthoifin et al., 2024) as predicted (Afkar & Fauziyah, 2021) when Covid-19 occurs. However, the results are different after Covid-19 is declared no longer in Indonesia, NPF is one of the significant indicators that can weaken the ability of Islamic banks to make a profit. Conditions like this can be caused because they are still in the context of economic recovery through the real sector and the financial sector, such as in the MSMEs sector (Afkar & Fauziyah, 2023). Implication for Islamic banks in Indonesia when viewed from the perspective of the Mixing Theory is that there is still the potential to earn profits during and after the Covid-19 pandemic, but with the risk of NPF always looming, it can weaken the ability to make a profit even though the distribution of the risk is according to the contribution of each party involved in the *musharakah* financing contract.

CONCLUSION

Profit-sharing system from Islamic bank can be done with *mudharabah* and *musharakah* contracts. Islamic banks with profit-sharing system get profits by distributing financing with Islamic sharia principles. Every financing that Islamic banks distribute to customers is always overshadowed by the occurrence of problematic financing due to default from customers called Non-Performing Financing (NPF). The profit-sharing system through *mudharabah* financing and *musharakah* financing contributes to the profitability of Islamic banks so that it has the potential to increase the development and expansion of Islamic bank business activities to a greater extent, although in the financing it has not ensured revenue but has ensured the distribution of profits based on agreements and clear risk sharing according to the contract that is carried out. Profit-sharing system with *mudharabah* contract allows the distribution of profits according to the agreement and financial risks are borne by Islamic banks, while with the *musharakah* contract there is also division of assets according to the agreement and the distribution of risk of loss according to the contribution of each capital. Contribution to the mixing theory is that when Islamic banks distribute *mudharabah* financing and *musharakah* financing, it will always be overshadowed by the risk of loss because in practice the financial condition at the time of the pandemic is unpredictable. Although this study is still limited to profit-sharing financing through *mudharabah* financing and *musharakah* financing, it provides consistency in the results of the effect of financing on the profitability of Islamic banks.

NPF has contributed to weakening the profit-sharing system through *mudharabah* financing and *musharakah* financing on profitability. The contribution explained that every sharia financing distributed through the profit-sharing system has an impact on profitability but is always overshadowed by the occurrence of NPF. The perspective of covid-19 finds different things in each situation. First findings, before and after the Covid-19 pandemic, show that NPF moderates *mudharabah* financing to profitability, meaning that the emergence of NPF weakens the profitability of Islamic financing distributed by Islamic banks to customers. Surprisingly, NPF does not moderate *mudharabah* financing to profitability during the Covid-19 pandemic, meaning that at times of financial turmoil, Islamic banks are still able to earn profits even though they are still overshadowed by the emergence of NPF, so the implications for Islamic banks in Indonesia do not need to worry when distributing *mudharabah* financing. Second finding is that the NPF moderates the profit-sharing system with *musharakah* financing on profitability. It means that when the Covid-19 pandemic ends, the NPF that emerges will result in decrease in profitability because the real sector and the affected financial sector are still in the recovery stage, so it is necessary to be cautious in distributing *musharakah* financing at time when the national economy is in the recovery stage. In addition, before and during the Covid-19 pandemic, the NPF that emerged did not interfere with the ability of Islamic banks in Indonesia to earn profit, so that the opportunity to develop business activities was greater so that the implications for Islamic banks in Indonesia did not need to worry about distributing *musharakah* financing in times of crisis or financial turmoil. The contribution to the mixing theory can be seen that when Islamic banks diversify their assets through financing, the opportunity to make a profit is very large but still be careful with NPF, because in practice NPF can occur because customers delay paying their obligations. This research is still limited to the results-sharing system, for the next researcher it is expected to develop research that can be carried out with the certainty of the contract or Natural Certainty Contract (NCC) which can be done with the *Murabahah, Istishna', Salam* contract.

Acknowledgement
Thanks to the entire team for helping to fund and complete this research on time and for being willing to be a team in this research collaboration. Thanks to Universitas PGRI Adi Buana Surabaya, Surabaya, Indonesia, Universitas Pembangunan Nasional Veteran Jawa Timur, Universitas Airlangga, and Universitas Jenderal Soedirman for providing research permits.

Authors' Contribution
TA is responsible for research design, data analysis, and writing
UPWW is responsible for data collection and manuscript improvement
WS is responsible for authorship and reference sources
LRN is responsible for research methods
FH is responsible for the use of analytical tools

Conflict of Interest
The authors declare no competing interests

Funding
This research received no external funding

Availability of Data and Materials
The data used in this study can be accessed upon request for obvious reasons through the correspondence of the principal Correspondence.

REFERENCES

Addury, M. M., & Ramadhani, A. K. P. (2024). The Influence of Financing Model and Credit Risk on Financial Stability (Study of Islamic Rural Banks in Java Island). *Journal of Islamic Monetary Economics and Finance*, *10*(3), 427–444. https://doi.org/10.21098/jimf.v10i3.1788. https://doi.org/10.21098/jimf.v10i3.1788

Afkar, T. (2015). Analisis Daya Tahan Perbankan Syariah Dalam Krisis Keuangan Global. *Universitas Airlangga : Disertasi*, *Universitas Airlangga*. https://repository.unair.ac.id/32385/1/1.%20HALAMAN%20JUDUL.pdf

Afkar, T. (2018). Influence Analysis Of Non Performing Financing By Profit-Loss Sharing Financing Contract To The Profitability Of Islamic Commercial Bank In Indonesia. *AKRUAL: Jurnal Akuntansi*, *10*(1), 1. https://doi.org/10.26740/jaj.v10n1.p1-14 https://doi.org/10.26740/jaj.v10n1.p1-14

Afkar, T., Chandrarin, G., & Pirmaningsih, L. (2020). Moderation of Non Performing Financing on Natural Uncertainty Contracts To The Profitability of Islamic Commercial Bank In Indonesia. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, *4*(02), 330–339. https://doi.org/10.29040/ijebar.v4i02.1051 https://doi.org/10.29040/ijebar.v4i02.1051

Afkar, T., & Fauziyah. (2021). Predictions And Trends Profitability For Islamic Commercial Banks In Indonesia During The Covid-19. *International Journal of Economics, Business, and Accounting Research (IJEBAR)*, *5*(1), 188–196. https://doi.org/https://doi.org/10.29040/ijebar.v4i02.1051 https://doi.org/10.29040/ijebar.v4i02.1051

Afkar, T., & Fauziyah, F. (2023). MSMEs Recovery after the COVID-19 Pandemic through Profit-Sharing System. *Jurnal Ilmu Sosial Dan Humaniora*, *12*(3), 547–555. https://doi.org/10.23887/jish.v12i3.67713 https://doi.org/10.23887/jish.v12i3.67713

Agustin, H., Hariswanto, H., & Bustamam, N. (2018). The Effect of Non Performing Financing Mudharabah and Musyarakah and Ownership of Banks on the Profitability of Sharia Banks. *Jurnal Tabarru': Islamic Banking and Finance*, *1*(2), 33–45. https://doi.org/10.25299/jtb.2018.vol1(2).2814 https://doi.org/10.25299/jtb.2018.vol1(2).2814

Ahmad Munawar, & Sulaeman. (2023). Determining the main factors of Islamic banks' profitability in Indonesia: Does Covid-19 crisis play an important role? *Asian Journal of Islamic Management (AJIM)*, *4*(2), 138–149. https://doi.org/10.20885/ajim.vol4.iss2.art5 https://doi.org/10.20885/AJIM.vol4.iss2.art5

Alam, M. K., Tabash, M. I., Thakur, O. A., Rahman, M. M., NaimSiddiquii, M., & Hasan, S. (2023). Independence and effectiveness of Shariah department officers to ensure Shariah compliance : evidence from Islamic banks in Bangladesh. *Asian Journal of Accounting Research*, *8*(1), 15–26. https://doi.org/10.1108/AJAR-01-2022-0022 https://doi.org/10.1108/AJAR-01-2022-0022

Ali, N. M., Alias, F., Shah, H. A. R., Awang, M. N., & Abu-mounes, R. (2024). The conceptual nexus between Islamic foresight, Islamic thought and the shariah. *Malaysian Journal of Syariah and Law*, *12*(1), 62–76. https://doi.org/https://doi.org/10.33102/mjsl.vol12no1.524 https://doi.org/10.33102/mjsl.vol12no1.524

Amin, M. R., Alam, G. M. M., Parvin, M. T., & Acharjee, D. C. (2023). Impact of COVID-19 on poultry market in Bangladesh. *Heliyon*, *9*(2), e13443. https://doi.org/10.1016/j.heliyon.2023.e13443 https://www.sciencedirect.com/science/article/pii/S2405844023006503

Aminarti, N., & Firdaus, R. (2024). Implementasi Akuntansi Syariah pada Sistem Bagi Hasil Pembiayaan Mudharabah dalam Praktik Keuangan Modern. *Jurnal Penelitian Ilmu Ekonomi Dan Keuangan Syariah*, *2*(4), 128–138. https://doi.org/https://doi.org/10.59059/jupiekes.v2i4.1730 https://doi.org/10.59059/jupiekes.v2i4.1730

Anis, I., Gani, L., Fauzi, H., Hermawan, A. A., & Adhariani, D. (2023). The sustainability awareness of banking institutions in Indonesia, its implication on profitability by the mediating role of operational efficiency. *Asian Journal of Accounting Research*, *8*(4), 356–372. https://doi.org/10.1108/AJAR-06-2022-0179 https://doi.org/10.1108/AJAR-06-2022-0179

Asiyah, B. N., Nasir, M. R., & Ahsan, M. (2019). Islamic Prudential Banking Concept to Reduce Non Performing Financing: Literature Review. *Iqtishadia*, *12*(2), 173–188. https://doi.org/10.21043/iqtishadia.v12i2.5641 https://journal.iainkudus.ac.id/index.php/IQTISHADIA/article/view/5641

Bahri, S. (2022). Pengaruh pembiayaan murabahah, mudharabah, dan musyarakah terhadap profitabilitas. *JAS : Jurnal Akuntansi Syariah*, *6*(1), 15–27. https://doi.org/https://doi.org/10.46367/jas.v6i1.502 https://doi.org/10.46367/jas.v6i1.502

Bashori, A., Umami, K., & Wahid, S. H. (2024). Maqasid shariah-based digital economy model: integration, sustainability and transformation. *Malaysian Journal of Syariah and Law*, *12*(2), 405–425. https://doi.org/https://doi.org/10.33102/mjsl.vol12no2.647 https://doi.org/10.33102/mjsl.vol12no2.647

Belesis, N. D., Kampouris, C. G., & Karagiorgos, A. T. (2022). The Effect of COVID-19 on the Value Relevance of European Firms' Financial Statements. *International Journal of Applied Economics, Finance and Accounting*, *14*(1), 91–911. https://doi.org/10.33094/ijaefa.v14i1.661 https://doi.org/10.33094/ijaefa.v14i1.661

Boubaker, S., Le, T. D. Q., & Ngo, T. (2023). Managing bank performance under COVID-19: A novel inverse DEA efficiency approach. *International Transactions in Operational Research*, *30*(5), 2436–2452. https://doi.org/10.1111/itor.13132 https://doi.org/10.1111/itor.13132

Dalimunthe, H. (2018). Pengaruh Marjin Laba Bersih, Pengembalian Atas Ekuitas, Dan Inflasi Terhadap Harga Saham. *JURNAL AKUNTANSI DAN BISNIS : Jurnal Program Studi Akuntansi*, *4*(2), 62. https://doi.org/10.31289/jab.v4i2.1780 https://doi.org/10.31289/jab.v4i2.1780

Demirgüç-Kunt, A., Pedraza, A., & Ruiz-Ortega, C. (2021). Banking sector performance during the COVID-19 crisis. *Journal of Banking and Finance*, *133*(16035), 1–22. https://doi.org/10.1016/j.jbankfin.2021.106305 https://www.sciencedirect.com/science/article/pii/S0378426621002570?via%3Dihub

Djawas, M., Sugirman, A., Ali, B., Affan, M., & Idham. (2023). The Position of Non-Muslims in the Implementation of Islamic Law in Aceh , Indonesia. *AHKAM : Jurnal Ilmu Syariah*, *23*(1), 95–120.

https://doi.org/10.15408/ajis.v23i1.32127 https://journal.uinjkt.ac.id/index.php/ahkam/article/view/32127

Fakhrunnas, F., Astuti, R. D., & Anto, M. B. H. (2022). Determinants of non- performing financing in Indonesian Islamic banks : A regional and sectoral analysis. *Banks and Bank Systems*, *17*(4), 72–86. https://doi.org/10.21511/bbs.17(4).2022.07 http://dx.doi.org/10.21511/bbs.17(4).2022.07

Fitriyanti, A. N., & Arfiansyah, M. A. (2023). Impact of Financing Restructuring And Foreclosed Collateral on Non-Performing Financing Levels In The Covid-19 Era. *IQTISHADUNA: Jurnal Ilmiah Ekonomi Kita*, *12*(2), 183–196. https://doi.org/10.46367/iqtishaduna.v12i2.1405

Hakim, M. L. (2023). Financial Technology Strategy for Islamic Banking Competitiveness. *AL-ARBAH: Journal of Islamic Finance and Banking*, *5*(1), 99–104. https://doi.org/10.21580/al-arbah.2023.5.1.17998 https://doi.org/10.21580/al-arbah.2023.5.1.17998

Hanafi, S. M. (2021). The Contribution of Profit-sharing Characteristics to the Performance of Islamic Banks. *Shirkah: Journal of Economics and Business*, *6*(1), 52–65. https://doi.org/http://dx.doi.org/10.22515/shirkah.v6i1.378 https://doi.org/10.22515/shirkah.v6i1.378

Herawati, A., Zainuddin, & Raehana, S. (2024). Islamic Economic Law Perspectives of Profit-Sharing Systems (Teseng) in The Cultivation of Rice Fields in Bugis-Makassar Community, South Sulawesi, Indonesia. *Manchester Journal of Transnational Islamic Law & Practice*, *20*(1), 280–287. https://www.electronicpublications.org/stuff/1057

Hidayat, N. W., Wardini, A. K., & Wati, L. N. (2021). Determining The Performance of Sharia Commercial Banks With Moderation of Non Performing Financing Ratio In Indonesia. *Riset : Jurnal Aplikasi Ekonomi, Akuntansi Dan Bisnis*, *3*(2), 563–580. https://doi.org/https://doi.org/10.37641/riset.v3i2.92 https://doi.org/https://doi.org/10.37641/riset.v3i2.92

Horváth, B., Khilji, T., Gankhuyag, U., Meng, T., Canossa, di V., Chen, J., & Rong, S. (2020). Social and Economic Impact of Covid-19 in the Asia-Pacific Region. *United Nations Development Programme*, *April*, 1–33. https://covidasia.hypotheses.org/3440

Indrastomo, B. S. (2023). Understanding The Historical Emergence of Islamic Finance In Indonesia : An Institutional And Social Movement Perspetive. *Qudus International Journal of Islamic Studies*, *11*(1), 103–148. https://doi.org/http://dx.doi.org/10.21043/qijis.v11i1.16431 http://dx.doi.org/10.21043/qijis.v11i1.16431

Kamaruzaman, N. H. (2023). Responsibilities of Customers And Islamic Banks to Manage and Recover Non-Performing Financing. *IJIEFER : International Journal of Islamic Economic and Finance Research*, *5*(2), 91–102. https://doi.org/https://doi.org/10.53840/ijiefer117 https://doi.org/10.53840/ijiefer117

Karim, A. A. (2020). *Perbankan Islam Analisis Fiqih dan Keuangan*. Jakarta : PT. Raja Grafindo Persada.

Koutoupis, A. G., Belesis, N. D., & Kampouris, C. G. (2022). Did COVID-19 Affect the Financial Performance and Risk of International Shipping Companies? *International Journal of Applied Economics, Finance and Accounting*, *13*(2), 69–81. https://doi.org/10.33094/ijaefa.v13i2.623 https://doi.org/10.33094/ijaefa.v13i2.623

Kusmayadi, D., Firmansyah, I., & Badruzaman, J. (2017). the Impact of Macroeconomic on Nonperforming Loan: Comparison Study At Conventional and Islamic Banking. *Iqtishadia*, *10*(2), 60–82. https://doi.org/10.21043/iqtishadia.v10i2.2864 https://journal.iainkudus.ac.id/index.php/IQTISHADIA/article/view/Dedi%20Kusmayadi%2C%20Firmansyah%2C%20Jajang%20Badruzaman

Lestari, R. S., & Anwar, S. (2021). Peran Moderasi Non Performing Financing Terhadap Pembiayaan Mudharabah, Musyarakah, dan Profit Sharing Ratio Pada Profitabilitas Bank Umum Syariah. *JAS : Jurnal Akuntansi Syariah*, *5*(2), 95–109. https://doi.org/10.46367/jas.v5i2.374

Lubis, D. S., Hilmi, & Hismendi. (2024). The Influence of Non-performing Financing and Financing to Deposit Ratio on Profitability in Sharia Commercial Banks in Indonesia. *International Journal of Scientific Research and Management (IJSRM)*, *12*(9), 7355–7368. https://doi.org/10.18535/ijsrm/v12i09.em03 https://doi.org/10.18535/ijsrm/v12i09.em03

Maghfirah. (2022). Phenomenology Approach In Islamic Economics and Finance. *Malaysian Journal of Syariah and Law*, *10*(1), 11–22. https://doi.org/https://doi.org/10.33102/mjsl.vol10no1.300 https://doi.org/10.33102/mjsl.vol10no1.300

Maity, S., & Sahu, T. N. (2022). How far the Indian banking sectors Indian are efficient?: An empirical investigation. *Asian Journal of Accounting Research*, *6*(3), 413–431. https://doi.org/10.1108/AJEB-02-2021-0016 https://doi.org/10.1108/AJEB-02-2021-0016

Majalis, N., Mulyany, R., & Zuhri, Z. H. (2021). Pricing the Equity-Based Financing of Mudharabah: Insights into its Drivers. *Iqtishadia*, *14*(2), 219–234. https://doi.org/10.21043/iqtishadia.v14i2.9204 https://doi.org/10.21043/iqtishadia.v14i2.9204

Maksum, M., & Hidayah, N. (2023). The Mechanism of Avoiding Riba in Islamic Financial Institutions: Experiences of Indonesia and Malaysia. *JURIS : Jurnal Ilmiah Syariah*, *22*(2), 235–244. https://doi.org/http://dx.doi.org/10.31958/juris.v22i2.6952 http://dx.doi.org/10.31958/juris.v22i2.6952

Maryani, M., Rusydi, Arjuniadi, Agussalim, M., & Yanti, E. M. (2024). Examining the Effect of Third-Party Funding and Non-Performing Loan on Syariah Banking Financing : Moderating Role of Profitability. *International Journal of Finance, Economics and Business*, *3*(1), 1–9. https://doi.org/10.56225/ijfeb.v3i1.197 https://doi.org/10.56225/ijfeb.v3i1.197

Maulana, M., Ramly, A., & Filzah, N. (2024). The Shared Values of Sharia Banking : Non-Muslims Under The Qanun on Islamic Financial Institutons in Aceh. *AHKAM : Jurnal Ilmu Syariah*, *24*(1), 185–198. https://doi.org/10.15408/ajis.v24i1.39188 https://doi.org/10.15408/ajis.v24i1.39188

McAleer, M. (2020). Prevention Is Better Than the Cure: Risk Management of COVID-19. *Journal of Risk and Financial Management*, *13*(3), 46. https://doi.org/10.3390/jrfm13030046 https://doi.org/10.3390/jrfm13030046

Muksal. (2018). The Impact of Non-Performing Financing (NPF) to Profitability (Return On Equity) at Sharia Bank in Indonesia. *EJIF:Europian Journal of Islamic Finance*, *11*(3). https://doi.org/10.13135/2421-2172/2739 https://doi.org/10.13135/2421-2172/2739

Muqorobin, A., & Kurniawan, C. S. (2022). Installment sale: its contemporary application in islamic banking finance (case study brunei darussalam). *Malaysian Journal of Syariah and Law*, *10*(1), 1–10. https://doi.org/https://doi.org/10.33102/mjsl.vol10no1.268 https://doi.org/10.33102/mjsl.vol10no1.268

Musfiroh, M. F. S., Miftakhussurur, M. Q., Kaukab, M. E., Sabrina, L., Hartiyah, S., & Nugroho, A. F. (2024). Implementation of The Minimum Investment Return System on The Profit Sharing of Mudarabah Financing : A Contemporary Muamalah Fiqh Perspective FINANCING : A CONTEMPORARY MUAMALAH FIQH. *Jurnal Ulwan*, *9*(1), 178–187. https://unimel.edu.my/journal/index.php/JULWAN/article/view/1694

Muthoifin, Firdaus, N., Sukisno, Anwar, S., Ulum, M. N., Irchamni, A., Widodo, & Murtyaningsih, R. (2024). Profit-Sharing Practices To Increase Profits and Development of Indonesian Sharia Banking. *Revista de Gestao Social e Ambiental*, *18*(6), 1–17. https://doi.org/https://doi.org/10.24857/rgsa.v18n6-005 https://doi.org/10.24857/rgsa.v18n6-005

Nasir, M. S., Oktaviani, Y., & Andriyani, N. (2022). Determinants of Non-Performing Loans and Non-Performing Financing level : Evidence in Indonesia 2008-2021. *Banks and Bank Systems*, *17*(4), 116–128. https://doi.org/10.21511/bbs.17(4).2022.10 https://doi.org/10.21511/bbs.17(4).2022.10

Nasokha, F., & Yudiana, F. E. (2022). Determination of Profitability with Non-Performing Financing as Moderation. *JAS : Jurnal Akuntansi Syariah*, *6*(2), 152–169. https://doi.org/https://doi.org/10.46367/jas.v6i2.628 https://doi.org/10.46367/jas.v6i2.628

Nazwa, P. ., & Hasbi, M. Z. N. (2021). Akad Musyarakah dan Penerapan dalam Manajemen Perbankan Syariah. *Indonesian Journal Of Managemen and Accounting*, *2*(2), 108–118. https://doi.org/http://dx.doi.org/10.21927/ijma https://ejournal.almaata.ac.id/index.php/IJMA/article/view/3313

Rahadi, D. I., & Farid, M. M. (2021). *Analisis Variabel Moderating*. CV. Lentera Ilmu Mandiri. https://www.researchgate.net/publication/354521951_ANALISIS_VARIABEL_MODERATING#fullTextFileContent https://www.researchgate.net/publication/354521951_ANALISIS_VARIABEL_MODERATING#fullTextFileContent

Riani, R., & Ikhwan, I. (2022). The impact of Covid-19 on the banking industry efficiency: Comparison between Indonesia and Malaysian banks. *Asian Journal of Islamic Management (AJIM)*, *4*(1), 43–58. https://doi.org/10.20885/ajim.vol4.iss1.art4 https://doi.org/10.20885/AJIM.vol4.iss1.art4

Rufaida, E. R. (2024). Profit and Loss Sharing : Concepts in Islamic Perspective and Sharia Banking Theory. *Abdurrauf Social Science*, *1*(2), 126–144. https://doi.org/10.70742/arsos.v1i2.36

Santoso, M. H., Siregar, H., Hakim, D. B., & Siregar, M. E. (2019). Strategy for Non-Performing Financing Management in Sharia Banks Based on Economic Sector of Financing. *Open Journal of Business and Management*, *07*(02), 374–385. https://doi.org/https://doi.org/10.4236/ojbm.2019.72025 https://doi.org/10.4236/ojbm.2019.72025

Sanurdi. (2019). Teori Percampuran dan Pertukaran. *Tasamuh : Jurnal Studi Islam*, *11*(1), 71–85. https://doi.org/https://doi.org/10.47945/tasamuh.v11i1.173

https://doi.org/10.47945/tasamuh.v11i1.173

Saputro, T. A., Rumadan, I., Suwadi, P., Latifah, E., & Syaiful, Mu. (2024). The Urgency of Using al-Milk an-Naqiṣ in Geographical Indications: An Ideal Preservation for Intellectual Property in Indonesia. *JURIS : Jurnal Ilmiah Syariah*, *23*(2), 269–279. https://doi.org/10.31958/juris.v23i2.12227 https://doi.org/10.31958/juris.v23i2.12227

Sari, A. P. N., & Maharani. (2022). The Effect of Murabahah , Musyarakah , And Ijarah Financing on Profitability With Non-Performing Financing as A Moderation Variable In Islamic Commercial Banks For The 2016-2020 Period. *CASHFLOW : CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE*, *1*(4), 151–168. https://doi.org/https://doi.org/10.55047/cashflow.v1i4.316 https://doi.org/10.55047/cashflow.v1i4.316

Shawaqfeh, G. N., Houl, M. A. A. Al, & Alomari, K. F. (2024). The Impact of Financial Technology on returns of shares for Jordanian Islamic Banks. *International Journal of Religion*, *5*(10), 3336–3349. https://doi.org/10.61707/ynvjyg73 https://doi.org/10.61707/ynvjyg73

Shonhadji, N. (2020). What most influence on non-performing loan in indonesia? bank accounting perspective with mars analysis. *JASF : Journal of Accounting and Strategic Finance*, *3*(2), 136–153. https://doi.org/https://doi.org/10.33005/jasf.v3i2.85 https://doi.org/10.33005/jasf.v3i2.85

Solimun, Fernandes, A. A. R., & Nurjanah. (2017). *Metode Statistika Multivariat : Pemodelan Persamaan Struktural (SEM) Pendekatan WarpPLS*. Universitas Brawijaya Press.

Stalia, S., Sunarsih, U., Mustika, M., & Ardheta, P. A. (2024). The Effect of Macro-indicators, Profit Sharing on Mudharabah Deposits: Evidence from Indonesia. *Research of Islamic Economics*, *1*(2), 96–105. https://doi.org/10.58777/rie.v1i2.173 https://doi.org/10.58777/rie.v1i2.173

Tarmizi, N. M., Buang, A. H., Daud, M. Z., Malaya, U., Persekutuan, W., & Lumpur, K. (2024). Predefined shariah requirements in core banking system: a qualitative study on muḍārabah and mushārakah contracts. *Malaysian Accounting Review*, *12*(1), 43–61. https://doi.org/https://doi.org/10.33102/mjsl.vol12no1.474 https://doi.org/10.33102/mjsl.vol12no1.474

Wahidah, T. N., Asnaini, & Makmur. (2024). Application of the Mudharabah Agreement in the Profit Sharing System for Raising Cattle (Study in Penago II Village , Ilir Talo District, Seluma Regency). *Sharia Economic Management Business Journal*, *5*(1), 22–27. https://doi.org/10.62159/sembj.v5i1.1207

Wibisono, A., Siregar, H., Ismal, R., Ratnawati, N., & Ismail, A. F. (2024). Revisiting Mudharabah Investment Account and Proposal for Improvement – Case of Indonesia. *Al-Muzara'ah*, *12*(2), 195–216. https://doi.org/10.29244/jam.12.2.195-216 https://doi.org/10.29244/jam.12.2.195-216

Widarjono, A., & Rudatin, A. (2021). The Determinants of Indonesian Islamic Rural Banks' Non-Performing Financing. *Global Review of Islamic Economics and Business*, *9*(1), 29–41. https://doi.org/10.14421/grieb.2021.091-03

Zuoby, S. M. A. Al, & Mas'ad, M. A. (2022). Financing Methods Through Musharakah Contract To Reduce

Risks: Jordan Islamic Bank As A Model. *Malaysian Journal of Syariah and Law*, *10*(2), 83–98. https://doi.org/https://doi.org/10.33102/mjsl.vol10no2.398
https://doi.org/10.33102/mjsl.vol10no2.398