Research on the Impact of Mixed Ownership Reform on Financial Performance

——Take Beijing Hualu Baina Company as an example

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Keywords: Mixed ownership reform, financial performance, Hualu baina.

Abstract: This article selecting Hualu Baina as the case company, analyzes its reform process and motivations from the perspectives of short-term financial performance and comprehensive financial performance, and analyzes the changes in its financial performance before and after the mixed ownership reform. In general, After the mixed ownership reform of Hualu Baina, it became a private-owned holding company, and its financial performance has been improved to a certain extent. Finally, some suggestions were made.

1. Introduction

The Third Plenary Session of the Eighteenth Central Committee of the Communist Party of China, "Decisions on Several Major Issues Concerning Comprehensively Deepening Reforms," proposed to actively develop a mixed-ownership economy, and pointed out that "a cross-shareholding and mutually integrated mixed-ownership economy such as state-owned capital, collective capital, non-public capital, etc. It is the form to realize the basic economic system" [1].

Subsequently, 20 provinces and cities including Shanghai, Guangdong, and Chongqing clarified the reform direction of state-owned enterprises and proposed to vigorously develop mixed ownership. This reform promotes equity diversification by introducing non-public capital, thereby improving the corporate governance structure, marking that the reform of state-owned enterprises has entered a new era of deepening reforms and standardized governance [2].

As the pillar of China's economic development, state-owned enterprises play a vital role in the national economy. Its healthy development is related to the prosperity and stability of China's economy. At present, it is at a critical moment of economic transformation. Although many achievements have been made on the road of reform advancement, the exploration road of mixed ownership reform of state-owned enterprises is still long, and many contradictions and problems still exist and urgently need to be resolved. In this paper, Hualu Baina, a listed state-owned enterprise film and television company, has been transformed into a case study object. Its mixed ownership reform has obvious innovations and breakthroughs, creating a new way for the central enterprise to change from the actual controller to the non-actual controlling shareholder. In the previous mixed ownership reforms, most of them chose to continue to maintain a controlling stake in state-owned capital. After the completion of the transfer, Hualu Group is only the second largest shareholder of the listed company, becoming a shareholder, and private capital becomes the actual controller. Through the analysis of its financial performance before and after the mixed ownership reform, it is mainly launched from two aspects. One is short-term financial performance, and the other is comprehensive financial performance. It is found that its financial performance has improved to a certain extent, which is beneficial to the same field or more industries. The field has certain reference significance.

2. Case situation

2.1 Company introduction

Beijing Hualu Baina Film and Television Co., Ltd. (abbreviation: Hualu Baina Stock Code: 300291) was founded in 2002 and is a film and television cultural enterprise invested and established in Beijing by the central enterprise China Hualu Group. China Hualu Group specializes in technical research in the field of digital audio and video, software and hardware application development, and the information and cultural industry. It is the only large-scale enterprise group whose main business covers the cultural industry. It always takes the promotion of mainstream values as the concept of quality content creation and is committed to Create an IP intermodal transport system and a new cultural and creative operation chain platform centered on the four major content sections of drama, film, animation, and marketing.

2.2 Overview and motivation analysis of mixed ownership reform

2.2.1 Introduction of main participants

1) Hualu Baina

According to the annual reports of listed companies, Hualu Baina (full name: Beijing Hualu Baina Film Co., Ltd.) is composed of Hualu Group (full name: China Hualu Group Co., Ltd.) and Beijing Baina (full name "Beijing Baina Cultural Development Co., Ltd. ") Jointly funded and formed. Hualu Cultural Industry Co., Ltd. is its controlling shareholder and a wholly-owned subsidiary of Hualu Group. Hualu Group is a wholly state-owned company, an enterprise directly under the central government under the charge of the State-owned Assets Supervision and Administration Commission of the State Council, and the actual controller of Hualu Baina.

2) Yingfeng Group and Poluofei Investment Company

Yingfeng Group (full name "Yingfeng Investment Holding Group Co., Ltd."), its actual controller is He Jianfeng, and poluofei (full name "Ningbo Poluofei Investment Management Co., Ltd.") is controlled by The Xiangjian. The two are in a father-son relationship. He Jianfeng is the chairman of Infore Group and Profi at the same time.

2.2.2 Mixed ownership reform process

On March 21, 2018, Hualu Culture and Yingfeng Group and the transferee composed of Poluofei signed a share transfer agreement. Yingfeng Group obtained 102 million shares of Hualu Baina held by Hualu Culture, with a shareholding ratio of 13.16%, Poluofei acquired 41 million shares, holding 4.39% [3]. After the mixed ownership reform, Hualu Culture no longer holds the shares of Hualu Baina, the controlling shareholder of Hualu Baina was changed from Hualu Culture to Yingfeng Group, and the actual controller was changed from Hualu Group to He Jianfeng, Hualu Baina From state-owned holding to state-owned equity, it officially became a private holding company. The actual controller's shareholding ratio before and after the mixed ownership reform is shown in the figure 1and figure 2:

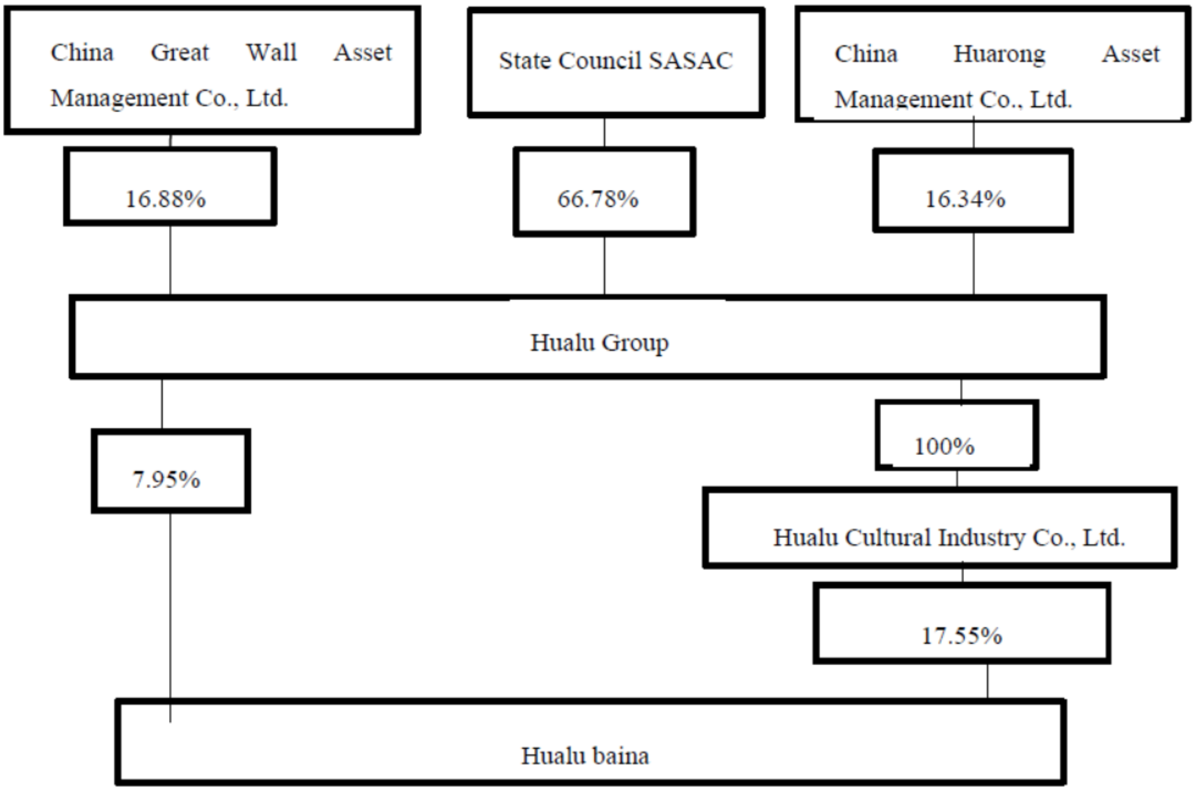

Figure 1. Hualu Baina's equity structure before mixed reform

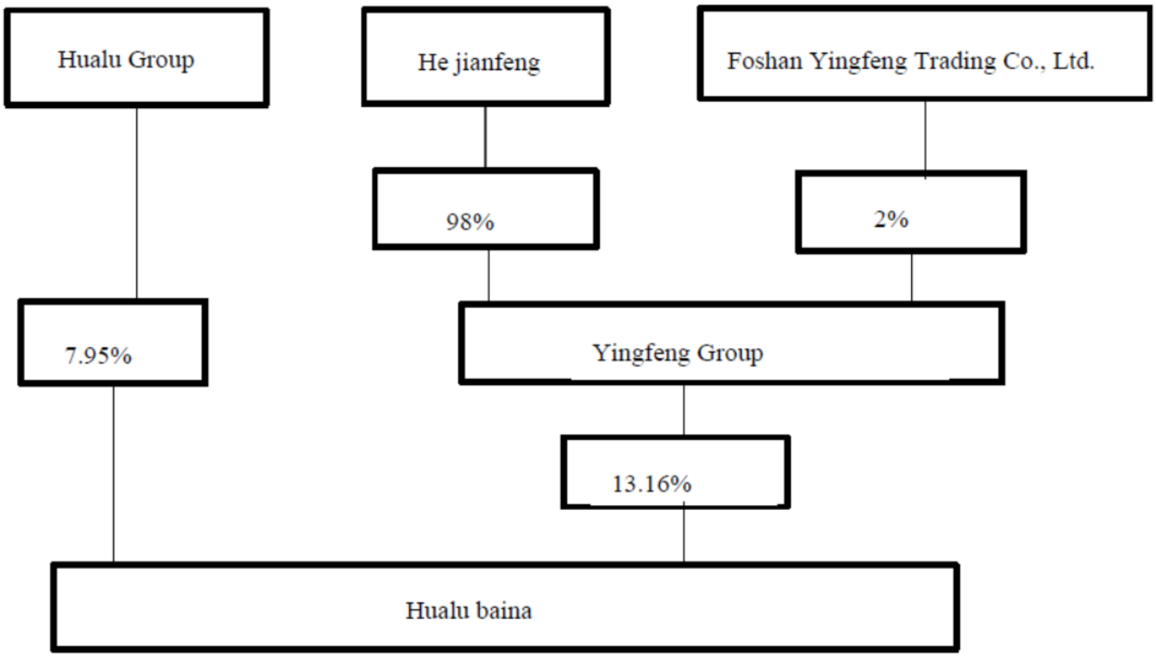

Figure 2. The equity structure of Hualu Baina after the mixed reform

2.2.3 Motivation of Hualu Baina's Mixed Ownership Reform

1) Deepen the reform of state-owned enterprises

State-owned enterprise reform has entered a more critical period, and the state has given a very high strategic position to the mixed ownership reform. Although Hualu Baina did not formally explain the specific reasons for the mixed ownership reform, it was mentioned in its announcement before the transfer of shares that this measure was "in order to actively respond to the relevant requirements of the 19th National Congress of the Communist Party of China on the development of cultural industries. Hualu Baina introduces new high-quality shareholder resources, brings new business resources and market-oriented operating mechanisms, enhances the company's profitability, and promotes Hualu Baina's sustainable development." The company's mixed ownership reform is in line with the policies proposed by the 19th National Congress of the Communist Party of China to cultivate new cultural formats and promote the deep integration of culture and technology, tourism, finance, and other related industries. Hualu Baina chose Yingfeng Group for mixed ownership reform, which not only absorbed strong private capital, but also accelerated the process of company reform.

2) The company's poor operating performance

As a veteran film and television company with a history of 18 years, Hualu Baina was once known as the "Four King Kongs of Domestic Film and Television" with Huayi Brothers, Light Media, and Huace Film and Television [3]. However, before the mixed ownership reform, compared with the other three film and television companies, Hualu Baina was in a weak competitive position for a long time, which was mainly manifested in the sluggish main business, hindered diversification strategy, and the development of the variety show sports sector not as expected.

3. Analysis of the financial performance impact of the company's mixed ownership reform

3.1 The short-term financial performance impact of the company's mixed ownership reform

3.1.1 Profitability

Corporate profitability is one of the most important capabilities for short-term investors. It reflects the ability of a company to use existing capital to increase value, that is, its ability to make profits through operations. According to the commonality and representativeness of relevant profit indicators, this article selects the return on net assets index, the net profit margin of total assets and the gross profit margin for analysis. Return on net assets is the ratio of a company’s after-tax profit to the average shareholder’s equity. It can effectively measure the utilization efficiency of shareholders’ capital investment and the company’s profitability. The net profit rate of total assets reflects an enterprise's ability to comprehensively utilize assets, and is the ratio of the total net profit of the year to the average total assets of the year. Gross profit margin is the basis of corporate profitability. It reflects the value-added part of the product after the internal production conversion system. It is the ratio of the difference between operating income and operating costs to operating income. If a company wants to make a profit, it needs a sufficiently high gross profit margin. The profitability index is shown in the following Table 1, and the indicator change trend is shown in the following Figure 3:

Table 1. Profitability analysis

		2016	2017	2018	2019	2020
ROE	Hualu baina	5.94	1.72	-115.51	3.70	3.12
	Industry average	12.12	11.21	0.69	-9.94	-21.79
Net interest rate of total assets	Hualu baina	6.51	1.56	-64.60	3.44	3.21
	Industry average	6.98	6.56	0.97	-5.78	-12.36
Gross margin	Hualu baina	27.04	22.58	-19.68	22.78	32.15
	Industry average	37.34	38.37	30.44	23.98	-29.00

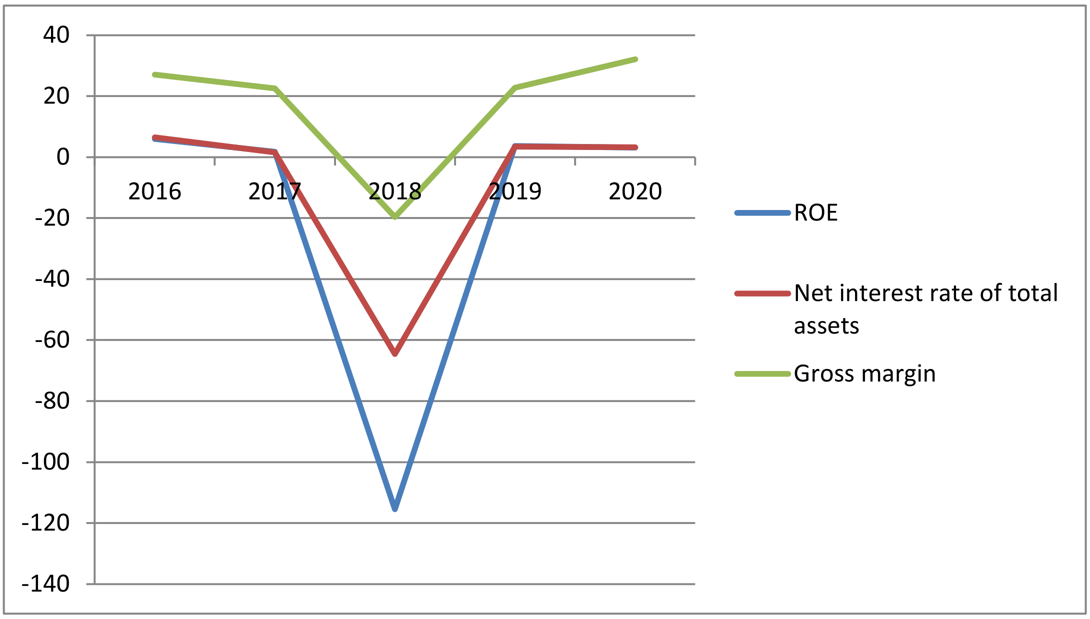

Figure 3. Trend chart of profitability indicators

From Table 1 and Figure 3, the three indicators of profitability of Hualu Baina after the implementation of mixed ownership reform have undergone significant changes. From 2016 to 2018, due to the impact of industry regulatory policies, increased competition, and decline in investment, the company Profitability continued to decline. The return on net assets dropped directly from 5.94% to -115.51%, widening the gap with industry competitors. The total net asset margin also dropped from 6.51% to -64.60%, and the change trend of gross profit margin index is the same as that of the first two items, which continues to decline. The gross profit margin at the end of 2018 was -19.68%, which is the lowest value in recent years. In 2018, the company carried out a mixed ownership reform, introduced new high-quality shareholder resources through equity transfer, brought new business resources, opened new customers, and improved the company's profitability. Hualu Baina actively reforms and optimizes systems and mechanisms, gathers outstanding talents in the industry, comprehensively deepens and upgrades multi-level business cooperation platforms such as joint ventures and studios, and provides outstanding creative operation talents with incubation, development, operation, commercialization, and other links. Systematic support and in-depth cooperation to amplify the operational value of IP can have a certain effect on the company's profitability. The company's operating dilemma has been reversed, performance has continued to improve, and the return on net assets has risen, which rose to 3.7% in 2019. The trend of changes in gross profit margin is also the same, rising from the lowest value of -19.68% in 2018 to 22.78% in 2019, and the net profit margin of total assets rose from -64.60% to 3.44% in 2019. The return on net assets in 2020 and the total the net asset interest rate has declined compared with 2019, but it is better than 2017 and 2018. The profitability of Company has been effectively improved. If this opportunity of mixed ownership reform can be grasped and the resources of new high-quality shareholders can be used, there will be room for improvement in future profitability.

3.1.2 Solvency

Solvency refers to the ability of a company to repay long-term debts and short-term debts with its assets. This article selects current ratio and quick ratio as indicators to measure the company's current debt solvency. The current ratio is the ratio of current assets to current liabilities. It is used to measure the ability of a company's current assets to be converted into cash to repay liabilities before the short-term debt expires. Quick ratio is the ratio of quick assets to current ratio. It is a measure of the ability of a company's current assets to be immediately realized for repaying current liabilities. The solvency indicators are shown in Table 2 below, and the trend of indicator changes is shown in Figure 4 below:

Table 2. Solvency analysis

		2016	2017	2018	2019	2020
Current ratio	Hualu baina	6.70	6.06	8.14	16.41	12.93
	Industry average	2.39	2.33	1.80	2.30	1.31
Quick ratio	Hualu baina	6.24	5.85	7.24	14.80	11.46
	Industry average	2.14	2.03	1.60	2.02	1.23

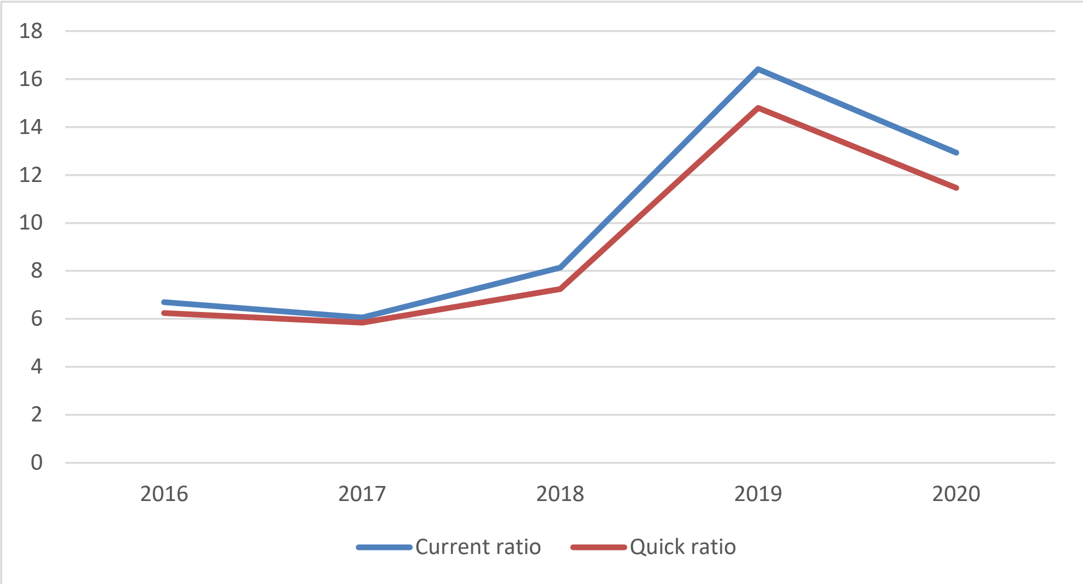

Figure 4. Change trend chart of solvency index

According to the data in Table 2 and Figure 4, the current ratio and quick ratio of Hualu Baina are in a fluctuating upward trend. Before the mixed ownership reform, the current ratio declined slightly in 2016-2017 and remained stable. After the mixed ownership reform, the current ratio was in a stable state in 2018.The ratio has increased, rising sharply to 16.41% in 2019, and falling slightly in 2020 to 12.93%. The change trend of the quick ratio is consistent with the current ratio. In addition, the two financial indicators of Hualu Baina Company are much higher than the average, which reflects to a certain extent that the company's solvency performance has been good, and the solvency has improved after the mixed ownership reform.

3.1.3 Operating capacity

The level of operating capacity can comprehensively reflect the company’s ability to manage economic resources and use efficiency, market competitiveness and management decision-making. The faster the company’s capital turnover, the more efficient the company’s capital utilization, and the more profitable and stronger solvency. This article uses total asset turnover and accounts receivable turnover to measure the company's current operating capabilities. The total asset turnover rate is the ratio of operating income to the total average assets, which represents the rate of turnover of total assets from input to output during the business period. The numerical value of the total capital turnover rate reflects the operating quality and use efficiency of the company's total assets. The accounts receivable turnover rate is the ratio of operating income to the average accounts receivable during the operating period, and represents the average number of times that accounts receivable are converted into cash during the operating period. The operating capability indicators are shown in Table 3. below, and the trend of indicators is shown in Figure 5.

Table 3. Operational capability analysis

<table>
<tr><td></td><td></td><td>2016</td><td>2017</td><td>2018</td><td>2019</td><td>2020</td></tr>
<tr><td rowspan="2">Turnover rate of total assets</td><td>Hualu baina</td><td>0.44</td><td>0.31</td><td>0.12</td><td>0.18</td><td>0.08</td></tr>
<tr><td>Industry average</td><td>0.43</td><td>0.40</td><td>0.45</td><td>0.42</td><td>0.25</td></tr>
<tr><td rowspan="2">Accounts Receivable Turnover Rate</td><td>Hualu baina</td><td>1.53</td><td>0.94</td><td>0.41</td><td>1.13</td><td>0.54</td></tr>
<tr><td>Industry average</td><td>9.68</td><td>10.41</td><td>9.94</td><td>7.32</td><td>14.92</td></tr>
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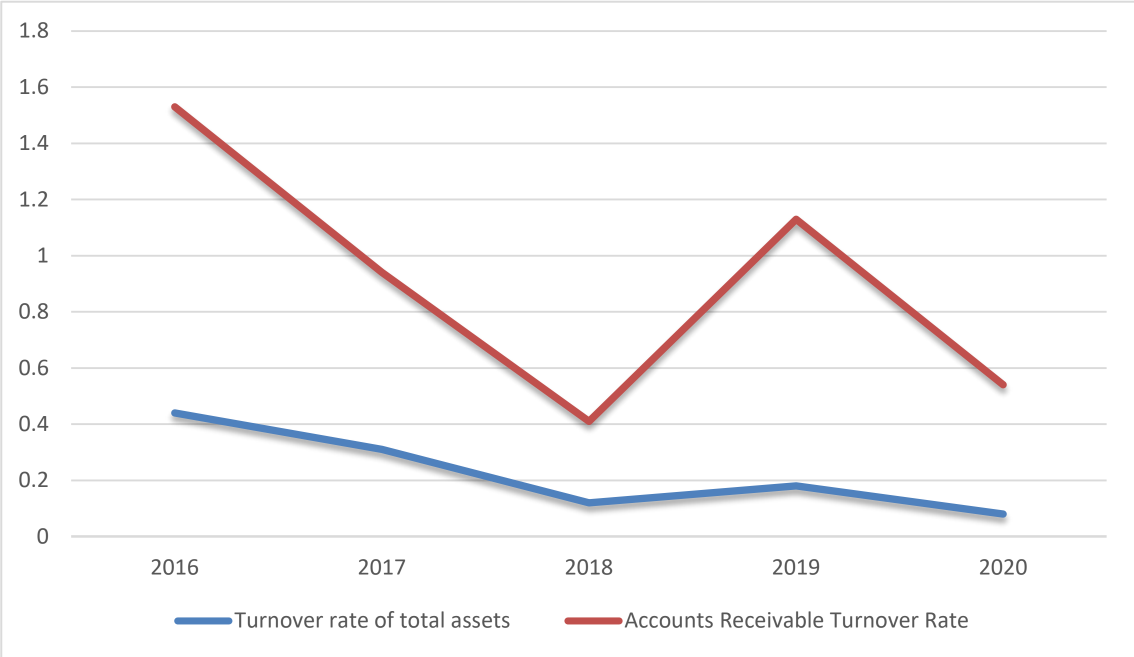

Figure 5. Change trend of operational capability indicators

According to the analysis of Hualu Baina’s operating capability indicators in Table 3 and Figure 5, the total asset turnover rate dropped from 0.44 times to 0.12 times in 2016-2018, indicating that Hualu Baina’s asset realization rate was slow, mainly due to its large backlog of film and television works has not been completed, which has increased the investment in equipment which has led to an increase in fixed assets and a decrease in asset utilization efficiency. In 2019, it increased to 0.18. In 2020, it was a decrease from 2019. After the mixed ownership reform, private ownership has brought new blood to the enterprise, increased the supply of funds, opened new business resources, and operating income. The total asset turnover rate began to gradually increase, asset utilization efficiency has improved, but it is still lower than the industry average. Before the mixed ownership reform, the account receivable turnover rate increased from 1.53 times in 2016 to 0.41 times in 2018. The account receivable turnover rate was much lower than the industry average. Due to the time difference between the confirmation time of the sales revenue of the film and television drama business and the actual payment of downstream customers (TV stations and network platforms), the change of the release time of the film and television drama will lead to the fluctuation of the balance of accounts receivable, which will increase the difficulty of the company's fund management and the risk of fund shortage.In addition, the major customers of the variety show and sports business are affected by the macroeconomy or their financial situation deteriorates or commercial credit has major adverse changes, the possibility of bad debts in accounts receivable will increase, and the company’s overall account receivable balance is relatively large. If there is a situation that cannot be recovered in time or cannot be recovered, it will have an adverse impact on the company's production and operation and current performance. In 2018, the company carried out mixed ownership reform to promptly curb the downward trend of its own account receivable turnover rate. In 2019, the account receivable turnover rate rose to 1.13 times, but it fell again in 2020. The management of accounts receivable still must arouse the attention of enterprises.

3.1.4 Development ability

The development ability of an enterprise is the growth of an enterprise, which refers to the potential for continuous development and growth on its own in the production and operation of the enterprise. In the fierce market competition, the development of enterprises relies on the comprehensive influence of many factors. This article selects the net profit growth rate and operating income growth rate as measurement indicators to analyze the company's development capabilities. The growth rate of operating income is an important indicator to measure the growth ability of an enterprise, and represents the extent of the change in operating income of an enterprise relative to the base period. Net profit growth rate refers to the ratio of a company's net profit in the current period to the net profit in the previous period. It reflects the expansion speed of the company to maximize value and is an important indicator of the company's development capability. The development capability indicators are shown in Table 4 below, and the trend of the indicators is shown in Figure 6.

Table 4. Development ability analysis

		2016	2017	2018	2019	2020
Net profit growth rate	Hualu baina	43.28	-70.89	-3152.20		0.55
	Industry average	180.10	6.45	-7.84	-255.64	-256.64
Operating income growth rate	Hualu baina	36.61	-12.709	-71.99	-2.87	-53.57
	Industry average	52.99	14.71	5.73	0.07	-64.82

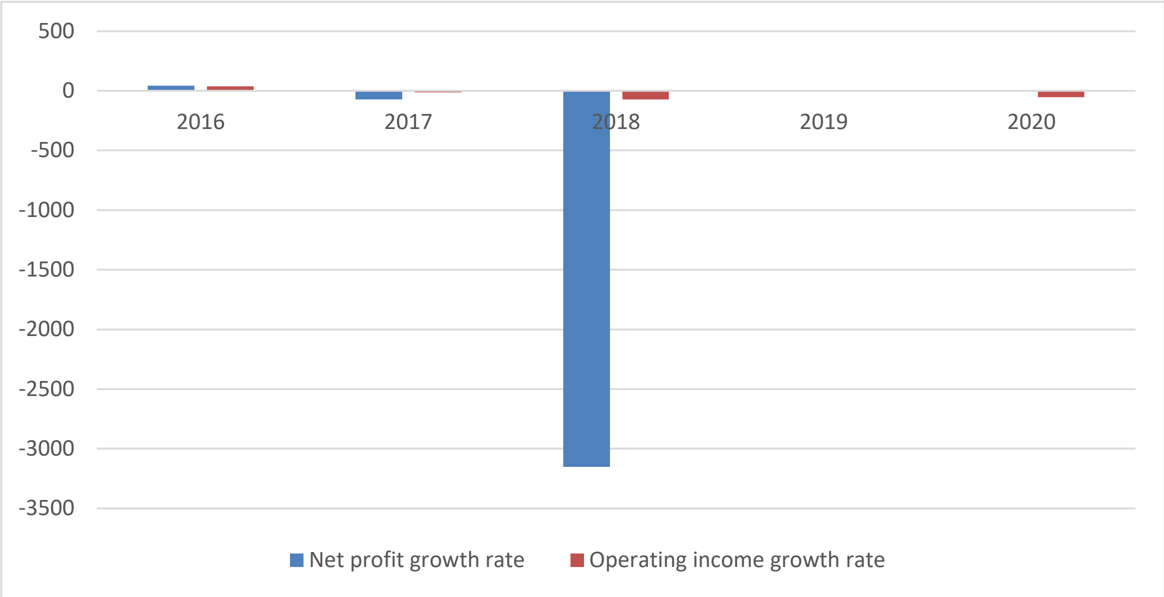

Figure 6. Trends of Development Ability Index

According to the analysis of the company's development capability indicators in Table 4 and Figure 6, from 2016 to 2018, Hualu Baina’s net profit growth rate and industry net profit growth rate have been declining, and the operating income growth rate is also in the same change trends, due to the continuous supply-side reforms of the industry, policies to regulate the industry order, the decline in platform purchase prices, the stricter review of episodes, and the superimposition of macroeconomic adjustments, the overall short-term development trend is not optimistic. Makes the development ability presents a sharp decline trend. However, the overall industry development prospects are good, and the "13th Five-Year" industrial policy releases opportunities for industry development. "The Ministry of Culture’s "Thirteenth Five-Year" Period Cultural Industry Development Plan" will "to in 2020, the cultural industry should become a pillar industry of the national economy". According to the goal, the added value of the cultural industry in the future should reach at least 5 trillion yuan, with an average annual nominal growth rate of at least 13%, which means as an important part of the cultural industry, the media industry will maintain rapid growth during the “13th Five-Year Plan” period. The net profit growth rate will rise to a positive value in 2020, and the operating income growth rate will increase in 2019 and 2020 after the mixed-ownership reform. Although the value of the year was still negative, it has risen. After the mixed ownership reform, private equity holdings have made the development and operation of the company improved to a certain extent.

3.2 Comprehensive financial performance of the company's mixed ownership reform

3.2.1 Research methods and options

This section analyzes the impact of the mixed ownership reform on the financial performance of Hualu Baina from the perspective of comprehensive financial performance, and uses SPSS software to analyze the trend of changes in various factors and comprehensive factor scores in the five years before and after the mixed ownership reform from 2016 to 2020. The factor analysis method is a widely used comprehensive financial performance analysis method. Its principle is to extract several key factors with strong correlation from multiple impact factors through dimensionality reduction analysis. According to the industry classification standard issued by the China Securities Regulatory Commission in 2012, As of 2020, there are 26 listed companies in the radio, television, film and film and television recording production industries in my country. Excluding ST companies, *ST companies and companies with incomplete data, the sample size is 91.

Table 5. Factor Analysis Index

assessment index	Indicator name	Calculation formula
Profitability	Return on total assets	Return on total assets = total profit/average total assets X100%
	Roe	Return on net assets = net profit / average owner's equity X 100%
	Operating profit margin	Operating profit rate = operating profit / total business income X 100%
Management capacity	Liquid assets turnover rate	Liquid assets turnover rate = operating income / average balance of current assets
	Turnover rate of total assets	Total asset turnover rate = operating income/average balance of assets
Development ability	Net profit growth rate	Net profit growth rate = (current net profit-last period net profit) / last period net profit X100%
	Operating income growth rate	Operating income growth rate = (operating income growth / total operating income of the previous year) X 100%
Solvency	Current ratio	Current ratio = current assets/current liabilities
	Quick ratio	Quick ratio = quick assets/current liabilities
	Asset-liability ratio	Asset-liability ratio = total liabilities/total assets X100%

3.2.2 Data inspection and factor analysis process

1) KMO test and Bartlett sphericity test

Before performing factor analysis, use KMO test and Bartlett's sphericity test to analyze the correlation of all variables to determine whether the original data is suitable for factor analysis. The KMO test mainly uses the partial correlation coefficient and simple correlation coefficient between the comparison variables to test the correlation. The value is generally between 0 and 1. Generally speaking, the KMO value is not less than 0.5, and the data is suitable as a factor analysis. Bartlett's sphericity test is to test the degree of correlation between each original variable. Its value is less than 0.01, and the data is suitable for factor analysis. From the test results in Table 6, the KMO sampling suitability measure is 0.601, which is greater than 0.5, and has passed the KMO test. The Bartlett sphericity test value is 0 and less than 0.01. The hypothesis that the correlation matrix is a unit matrix is rejected, indicating that the original variable is one of the original variables. There is a strong correlation between them, and the data in this paper are suitable for factor analysis.

Table 6. KMO and Bartlett test

Kaiser-Meyer-Olkin measure of sampling adequacy		.601
Bartlett's sphericity test	Approximate chi-square	1009.555
	df	45
	Sig.	.000

2) Factor analysis process

Use the principal component analysis method to extract the common factor variance, set the original variance value to 1, the degree of interpretation of the variable by the extracted common factor is the extracted value, and the range of extracted information is between 0 and 1. Generally speaking, if the information loss degree is less than 0.4, that is, the extraction value of the common factor is greater than 0.6, the final analysis result is credible.

Table 7. Common factor variance

	initial	extract
Return on total assets	1.000	.883
Roe	1.000	.832
Operating profit margin	1.000	.724
Liquid assets turnover rate	1.000	.837
Turnover rate of total assets	1.000	.864
Net profit growth rate	1.000	.989
Operating income growth rate	1.000	.988
Current ratio	1.000	.939
Quick ratio	1.000	.948
Assets and liabilities	1.000	.769

As shown in Table 7, the extraction degree of each factor is greater than 0.6, of which the highest can reach 0.989 and the lowest is 0.724. The common factor can explain the information in each variable well, with low information loss and high information extraction.

Table 8. Explained total variance

Ingredients	Initial eigenvalue			Extract the sum of squares and load			Rotate the sum of squares loading		
	total	variance %	accumulation %	total	variance %	accumulation %	total	variance %	accumulation %
1	3.005	30.046	30.046	3.005	30.046	30.046	2.607	26.073	26.073
2	2.670	26.705	56.751	2.670	26.705	56.751	2.318	23.182	49.255
3	1.770	17.697	74.448	1.770	17.697	74.448	1.969	19.687	68.943
4	1.330	13.301	87.749	1.330	13.301	87.749	1.881	18.806	87.749
5	.462	4.622	92.370						
6	.346	3.456	95.827						
7	.250	2.503	98.330						
8	.138	1.378	99.707						

Table 8 is the result of solving the characteristic variance, calculating the characteristic vector and the characteristic value, based on the selection of the characteristic value greater than 1, and four factors can be selected for analysis according to the output result. The eigenvalue of the first factor is 3.005, the eigenvalue of the second factor is 2.670, the eigenvalue of the third factor is 1.770, the eigenvalue of the fourth factor is 1.330, and the variance contribution rates of the four factors are 26.073. %, 23.182%, 19.687%, 18.806%, and its cumulative variance contribution rate totals 87.749%, which exceeds the minimum standard of 75%, indicating that the four common factors can represent most of the information in the original ten variables.

In order to be able to see the main factor load situation of each variable in each common factor more clearly, the factor is rotated by the maximum variance method, and the component matrix after the rotation in Table 9 is obtained. It can be seen from the table that the absolute value of the load is the closeness of each variable to the common factor. The larger the value, the greater the influence of the common factor.

Table 9. Rotated component matrix a

	Ingredients			
	1	2	3	4
Return on total assets	.004	.908	.112	.215
Roe	.086	.860	.086	.278
Operating profit margin	.096	.825	-.003	-.187
Liquid assets turnover rate	-.197	.096	-.032	.888
Turnover rate of total assets	-.025	.102	.014	.924
Net profit growth rate	.070	.173	.977	-.004
Operating income growth rate	.064	-.010	.992	-.010
Current ratio	.945	.003	.068	-.204
Quick ratio	.956	.030	.060	-.174
Assets and liabilities	-.858	-.152	-.035	-.094

It can be seen from Table 9 that 10 variables are classified according to their correlation, and the corresponding 4 common factors can be further analyzed:

The first public factor has a relatively large absolute value of factor loads in the current ratio, quick ratio, and asset-liability ratio variables, respectively 0.945, 0.956, and -0.858, which can better reflect the company’s solvency. The factor is named F1: Solvency factor. The first public factor can explain 26.073% of the sample's information.

The second public factor has a relatively large absolute value of the factor load in the rate of return on total assets, the rate of return on net assets, and the rate of operating profit, respectively 0.908, 0.860, and 0.825. The second factor is named F2: profitability factor. The second public factor can explain 23.182% of the relevant information of the sample to comprehensively reflect its operating status.

The third public factor has a larger load value in the net profit growth rate and operating income growth rate, which are 0.977 and 0.992 respectively, which can better reflect the company's growth ability. The third factor is named F3: growth ability factor, The third common factor can explain 19.697% of the information in the sample.

The fourth public factor has a relatively large absolute value of factor loads in the current asset turnover rate and total asset turnover rate variables, which are 0.888 and 0.924 respectively, which can better reflect the company's operating capacity. The fourth factor is named F4: Operation Ability factor, the fourth common factor can explain 18.806% of the sample's information. The factor score is the linear combination of the variables expressed as the main factors, that is, the sum of the weighted variables according to the degree of correlation. According to the weighted factor variance contribution rate after rotation, the comprehensive factor score function before and after the reform is obtained as:

Table 10. Component score coefficient matrix

	Ingredients			
	1	2	3	4
Return on total assets	-.044	.397	-.004	.004
Roe	.003	.362	-.019	.059
Operating profit margin	-.043	.414	-.066	-.213
Liquid assets turnover rate	.021	-.059	-.009	.492
Turnover rate of total assets	.095	-.077	.006	.534
Net profit growth rate	-.033	.009	.500	-.012
Operating income growth rate	-.024	-.079	.521	.008
Current ratio	.368	-.045	-.013	.005
Quick ratio	.375	-.036	-.020	.010
Assets and liabilities	-.359	.006	.035	-.141

As shown in Table 10, the calculation expressions for the four common factor scores and comprehensive factor scores can be obtained as follows:

F1=-0.044X1 +0.003X2-0.043X3+0.021X4+0.095X5. . ….-0.359X10

F2=0.397X1+0.362X2+0.414X3...... +0.006X10

F3=-0.004X1-0.019X2-0.066X3...... +0.035X10

F4=0.004X1+0. 059X2-0. 213X3……-0.141X10

F=(26.073XF1+ 23.182XF2+19.687XF3+18.806XF4)/ 87.749

3.2.3 Calculation and analysis of comprehensive performance score

Table 11. 2016-2020 factor score

	F1	F2	F3	F4	F
2016	4.7943	-0.51693	0.1838	1.1261	1.5705
2017	4.4439	-0.5178	-0.4861	0.4059	1.1615
2018	7.0149	-3.7309	-16.0164	1.6104	-2.1496
2019	11.5549	-1.1510	-0.1560	0.2003	3.1372
2020	9.0357	-0.7602	-0.7011	0.0354	2.3342

From Table 11 above, we can see the scores of the four public factors in 2016-2019 and the comprehensive scores in 2016-2019. From the perspective of changing trends, the debt servicing factor score is basically on the rise from 2016 to 2019, reaching a maximum of 11.5549 in 2019, and a decline in 2020, falling to 9.0357. The profit factor score dropped to the minimum value of -3.7309 in 2018, and it has risen from 2018 to 2020 but is still negative. After the mixed ownership reform, the quality of profit has improved, but it still needs to be improved. Growth capacity showed a decline from 2016 to 2018, increased in 2019, and fell again in 2020. The change trend of operating factor score is like that of growth ability. The comprehensive score of 2016-2018 was declining year by year before the mixed ownership reform. After the mixed ownership reform, 2019 and 2020 have improved compared with the previous years. The joining of private enterprises and the holding of private capital have brought new business resources to enterprises, making them more profitable. Financial performance has improved.

4. Research conclusions and countermeasures

4.1 Research conclusion

This article uses the mixed ownership reform of Beijing Hualu Baina Film and Television Co., Ltd. as the case study object to analyze the impact of the mixed ownership reform on the company’s financial performance. Through equity transfer, Hualu Baina made private enterprises become controlling shareholders and carried out mixed ownership reform. Through research on the impact of short-term financial performance and comprehensive financial performance, the following conclusions can be drawn:

First, in terms of profitability, it can be found that after the mixed ownership reform, financial indicators related to profit have all increased, and profitability has been improved to a certain extent. This is mainly due to the introduction of new shareholders of private enterprises by Hualu Baina, which brings high-quality resources, new business resources and market-oriented operating mechanisms, which will enhance the company's profitability to a certain extent.

Second, in terms of debt solvency, it can be found that Hualu Baina’s debt solvency has performed well in recent years, and it has a better development trend after the mixed ownership reform.

Thirdly, in terms of operating capability, it can be found that Hualu Baina’s performance in financial indicators related to operating capability is inadequate. In recent years, it has been basically below the average. Although the relevant indicators have shown an upward trend after the mixed ownership reform, it also reminds Hualu Baina should strengthen management in this area.

Fourth, in terms of development capabilities, it can be found that with the introduction of the Cultural Industry Development Plan during "the 13th Five-Year Plan" by the Ministry of Culture, the overall development prospects of the industry are good, but in recent years, due to the continuous supply-side reforms of the industry, policy regulations The company's development trend is not good due to factors such as the order of the industry, the decline in platform purchase prices, and the stricter review of episodes.

Fifth, the negative side of comprehensive financial performance can be seen. From the comprehensive factor score, the 2016-2018 period is in a downward state. After the mixed ownership reform in 2018, the comprehensive performance of the company has increased in 2019, and the comprehensive score of the company in 2020 there has been a slight decline, and the overall financial performance of the company has been improved.

In summary: Hualu Baina has improved its financial performance to a certain extent after the reform of the mixed ownership of private equity holdings.

4.2 Countermeasures

4.2.1 Mutual assistance and cooperation to achieve a win-win situation

Mixed ownership reform is a process in which state-owned capital and non-state-owned capital cooperate with each other, complement each other's advantages, and achieve mutual benefit and win-win results. Hualu Baina changed from a state-owned enterprise film and television listed company to a private-owned holding company. This mixed ownership reform is through the transfer of equity to explore a new path for the existing mixed ownership reform that is different from capital increase and share expansion. State-owned enterprise mixed ownership reform can introduce new blood and increase capital supply through capital increase and share expansion; it can also optimize the ownership structure by directly transferring existing equity. It is more acceptable to promote mixed ownership reform through capital increase, while existing mixed ownership reform The pressure and resistance are even greater. The previous mixed ownership reform pilots basically adopted the method of capital increase and share expansion. The advantages of private enterprises mainly reflect keen market insight, flexible response mechanism, efficient execution, and enterprising independent innovation. As an important pillar of the national economy, state-owned enterprises have their unique resource advantages, such as abundant government resources and preferential financial policies [4]. In this regard, Hualu Baina should make full use of the business resources and market-oriented operating mechanisms owned by private enterprises, and boldly innovate management models and business models in the subsequent development to stimulate new development potential, and at the same time make use of the state-owned enterprises. Seek development possibilities for advantages. However, non-state capital is more to maximize the interests of shareholders, while state-owned capital is guided by social goals and state-owned goals, and there may be large differences in management systems. Therefore, there may be different capitals in the process of participating in corporate governance. The problem of integration [5]. State-owned capital and non-state-owned capital shareholders need to adapt to each other, participate in corporate governance effectively, cooperate with each other, complement each other, mutual benefit and win-win situation, optimize governance, and improve the financial performance and operational management level of enterprises [6].

4.2.2 Guarantee the right to speak of state-owned capital

Private equity holding does not mean weakening of state-owned capital. It is necessary to ensure the effectiveness of state-owned capital's participation in company decision-making. As a subsidiary of a central enterprise in the cultural field, its breakthrough mixed ownership reform plan has conveyed the central government's firm determination to further promote the mixed ownership reform of state-owned enterprises. The purpose of private equity holdings is to further improve and strengthen state-owned capital, and the transfer of controlling rights is for the better development of enterprises, so that state-owned capital can maintain and increase in value. Hualu Baina needs to protect the voice of state-owned capital and improve the decision-making mechanism of enterprises, to improve the level of operation, thereby having a positive impact on corporate performance and achieving the goal of mixed ownership reform.

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