

# Reverse Mixed-Ownership Reform and the Information Efficiency of the Capital Market

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**Abstract:** Reverse mixed-ownership reform has gradually become an important means to promote the development of private enterprises in the current economic environment. Using data on private enterprises in China's A-share market from 2012 to 2023, an empirical analysis was conducted on how reverse mixed-ownership reform affects the information efficiency of private enterprises in the capital market. The results show that reverse mixed-ownership reform of private enterprises helps improve the information efficiency of enterprises in the capital market. This finding still holds true after a series of endogeneity and robustness tests. Further analysis revealed that reverse mixed-ownership reform enhanced the information efficiency of private enterprises in the capital market by improving the internal governance structure of the company. Heterogeneity analysis revealed that reverse mixed-ownership reform had a more significant effect on improving the capital market information efficiency of private enterprises in enterprises with a lower level of marketization and a lower environment for private economic development.

**Keywords:** Reverse Mixed-Ownership Reform, Private Enterprises, Internal Governance, Capital Market Information Efficiency

## 1. Introduction

In the report of the 20th National Congress of the Communist Party of China, the goal of building a "high-level socialist market economy system" was emphasized, and the necessity of strengthening the core competitiveness of enterprises was highlighted<sup>[1]</sup>. China's mixed-ownership reform encompasses both the forward mixed-ownership reform involving non-state-owned capital entering state-owned enterprises and the reverse mixed-ownership reform involving the integration of state-owned enterprises, state-owned platforms and private enterprises<sup>[2]</sup>. Reverse mixed-ownership reform is not only a model of capital flow between state-owned and private enterprises, but also a key means to optimize the allocation of resources and enhance the competitiveness of enterprises<sup>[3]</sup>. By introducing state-owned capital, it enables private enterprises to gain more abundant resource support, market trust and technological innovation support, thereby enhancing their growth potential and stimulating their innovation vitality<sup>[4]</sup>. In recent years, existing research on reverse mixed-ownership reform has mostly focused on areas such as corporate performance, innovation sustainability, or inefficient investment. For instance, state-owned capital participation can promote long-term innovation investment by private enterprises throughways such as easing financing constraints and reducing debt costs. Meanwhile, reverse mixed-ownership reform can also optimize the governance structure and curb inefficient investment behavior. Information efficiency is whether information in the capital market can be accurately and timely reflected in stock prices, and it is a key prerequisite for optimizing resource allocation<sup>[5]</sup>. In the process of reverse mixed-ownership reform carried out by private enterprises, the information efficiency of the capital market is directly related to the decisions of investors, the financing costs of enterprises and the performance of stock prices<sup>[6]</sup>.

In the current economic environment, reverse mixed-ownership reform is not only a necessary means to respond to market changes, but also an important strategy for achieving high-quality economic development. As the state's policy support for private enterprises increases, reverse mixed-ownership reform will become a key factor in promoting the transformation and upgrading as well as innovative development of private enterprises. So, how does reverse mixed-ownership reform affect the information efficiency of the capital market? What role does internal governance play in this? This paper takes A-share listed companies from 2012-2023 as samples, introduces internal governance, and

conducts an empirical study on the relationship between reverse mixed-ownership reform and the information efficiency of the capital market.

## 2. Theoretical analysis and research hypotheses

According to the signal transmission theory, state-owned capital, backed by government credit, conveys signals of enterprise compliance and stability to the market, reduces the cost of information screening for investors, and forces enterprises to increase the transparency of information disclosure (such as reducing financial whitewashing) and alleviate adverse selection problems. The principal-agent theory suggests that state-owned shareholders, through equity checks and balances and supervisory functions, restrain the short-term profit-seeking tendencies of private enterprises (such as curbing the embezzlement of major shareholders), reduce the second type of agency costs, and enhance the authenticity and predictability<sup>[7]</sup>. The resource-based theory suggests that the policy resource empowerment of state-owned capital (such as industrial chain integration and technology standardization) can reduce the noise of business operations and lower the uncertainty of the external environment through government-enterprise linkages, making the market more focused on the long-term value information<sup>[8]</sup>. Therefore, Hypothesis 1 is proposed in this paper.

H1: Reverse mixed-ownership reform of private enterprises will improve the information efficiency of the capital market.

Good internal corporate governance can enhance information transparency and reduce information asymmetry, thereby improving information efficiency in the capital market. First of all, when state-owned capital is introduced into the mixed-ownership reform of private enterprises, state-owned shareholders tend to bring more stringent governance standards and supervision mechanisms. This optimization of the governance structure helps to improve the transparency of corporate decision-making and the quality of information disclosure. Research shows that increased transparency can effectively reduce investors' risk perception, enhance market trust in enterprises, and thereby improve the information efficiency of the capital market<sup>[9]</sup>. Secondly, the optimization of the internal governance structure can also promote the improvement of the incentive and restraint mechanisms for the management of enterprises. In the process of mixed-ownership reform, the participation of state-owned shareholders may prompt the management to focus more on long-term development and reduce short-term and opportunistic behaviors. This shift will not only help improve the business performance of enterprises, but also enhance investors' confidence in the enterprises and further improve the information efficiency of the capital market. By establishing effective incentives, companies can better convey their true business conditions and future expectations to the outside world, thereby enhancing the market's response speed and accuracy to their information. In addition, good internal governance of the company can also facilitate communication and cooperation between the enterprise and external stakeholders. By establishing effective communication channels, companies can obtain market feedback in a timely manner and adjust their strategies and operational models. This adaptability and flexibility enable enterprises to remain competitive in a constantly changing market, while also enhancing the responsiveness of capital markets for their information. Based on the above analysis, Hypothesis 2 is proposed:

H2: Corporate internal governance plays a mediating role between mixed-ownership reform in private enterprises and information efficiency in the capital market.

## 3. Variable definition research design

### 3.1 Sample selection and data sources

From 2012-2023, A-share listed companies with private initial property rights in China were selected as the study sample, and the following treatments were carried out in sequence: (1) Data of listed companies marked as ST or \*ST in the current year were excluded; (2) Samples of listed companies in the financial, insurance, securities and social services sectors were excluded; (3) Exclude listed companies with missing variable data. A total of 21,664 sample observations were finally obtained. The data sources are as follows: The company's financial data is from CSMAR, the marketization index of the region where it is located and the proportion of non-state-owned economy in the main business income of industrial enterprises are from the "China Marketization Index Report by Province", the data analysis was completed using Stata17 software, and all continuous variables were

truncated by 1%.

### 3.2 Variable Definition and Measurement

#### 3.2.1 Explanatory variables (MIX)

Drawing on the research of Liu Xiaoxia et al. (2023)<sup>[10]</sup>, the degree of reverse mixed-ownership reform was measured by the sum of the shareholding ratios of state-owned shareholders (MIX) based on the shareholding information of the top ten shareholders of a company in the CSMAR database of equity nature documents of Chinese listed companies.

#### 3.2.2 The explained variable (ZX)

The stock price synchrony indicator is used to measure the information efficiency of the capital market, referring to the research results of Wang Yaping et al. (2009)<sup>[11]</sup>. The higher the degree of stock price synchrony, the lower the information efficiency of the capital market. The calculation process is as follows:

$$R_{i,t,j} = \beta_0 + \beta_1 R_{m,t,j} + \beta_2 R_{I,t,j} + \varepsilon \quad (1)$$

$R_{i,t,j}$  is the weekly individual stock return rate of Company  $i$  considering cash dividend reinvestment in Week  $j$  of year  $t$ ,  $R_{m,t,j}$  is the comprehensive weekly market return rate of the A-share market considering cash dividend reinvestment in week  $j$  of year  $t$ , and  $R_{I,t,j}$  represents the return rate of the industry in which company  $i$  is located (excluding the company itself) in week  $j$  of year  $t$ .

$$\text{SYN}_{i,t} = \ln(R_{i,t}^2 / (1 - R_{i,t}^2)) \quad (2)$$

$R_{i,t}^2$  It is the goodness of fit obtained through regression analysis using formula (1). The range of  $R^2$  is between 0 and 1, which does not meet the standard requirements of ordinary least squares (OLS) regression. Therefore, a logarithmic transformation was performed on  $R^2$  according to formula (2), resulting in SYN. If the SYN value is higher, it indicates that the stock price of the enterprise is more synchronous, which usually means that the information efficiency of the capital market is lower. For ease of study, the reciprocal of stock price synchrony SYN is used to represent the information efficiency of the capital market (ZX).

#### 3.2.3 Control variables

Drawing on relevant research results, the following factors are taken as control variables. The specific control variables are shown in Table 1.

Table 1: List of variable definitions.

Variable name	Variable symbol	Description of variables
ZX	Capital market information efficiency	For specific calculations, please refer to the above text
MIX	Reverse degree of mixed- ownership reform	Shareholding ratio of state-owned shareholders in the top 10 shareholders
Size	Company size	The natural logarithm of total assets at the end of the period
Lev	Debt-to-asset ratio	Total liabilities/total assets
ROA	Net profit margin on total assets	Net profit/average total assets
ATO	Total asset turnover rate	Net sales revenue/average total assets
Cashflow	Cash flow ratio	Operating cash flow/total assets
FIXED	Proportion of fixed assets	Net fixed assets at the end/total assets at the beginning
Growth	Growth rate of operating income	It reflects a company's ability to grow
ListAge	Years of listing	The logarithm of the difference between the ending year and the listing year
BODS	Board size	The logarithm of the number of board members
Indep	Proportion of independent directors	Independent directors/number of directors
Dual	Two positions combined	If the chairman and general manager are the same person, it's 1; otherwise, it's 0
Year	Year	Year dummy variable
Ind	Industry	Industry dummy variables, excluding the financial sector

### 3.3 Model setting

To verify the impact of reverse mixed-ownership reform of private enterprises on the information efficiency of the capital market, the following regression model (1) is established:

$$ZX_{i,t} = \alpha + \beta_1 MIX_{i,t} + \beta_2 \sum Control_{i,t} + \beta_3 year + \beta_4 ind + \varepsilon_{i,t} \quad \text{model(1)}$$

In the table below, *i* and *t* represent the company and year respectively,  $Control_{i,t}$  is the control variable, and  $\varepsilon_{i,t}$  is the random error term. In addition, to avoid missing variables, this study controlled for year, industry, and individual fixed effects.

## 4. Empirical results

### 4.1 Benchmark regression

Table 2 presents the results of the baseline regression analysis. In column (1), only the core explanatory variables were included, and the analysis found that the coefficient of MIX was 1.337, which was statistically significant at the 10% significance level. On this basis, the control variable was further introduced in column (2), and the coefficient of MIX became 2.085, which was significantly positive at the 1% level. The regression results indicated that the capital market information efficiency of private enterprises improved significantly after the reverse mixed-ownership reform, thus verifying Hypothesis 1 of the study.

*Table 2: Main effect regression.*

Variable	ZX	ZX
MIX	1.337*(0.709)	2.085***(0.705)
control variable		yes
Constant	1.642***(0.010)	9.845***(0.629)
Individual	yes	yes
Year	yes	yes
Ind	yes	yes
F	3.558	33.279
N	21,283	21,283
R <sup>2</sup>	0.495	0.507

Note: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ ; The values in parentheses are *t* values. The same below.

### 4.2 Robustness test

#### 4.2.1 Replace the explanatory variable

To test the robustness of the regression results, according to the study by He Dexu et al.(2022)<sup>[12]</sup> and Ren Guang gan et al.(2023)<sup>[13]</sup>, if the shareholding ratio of Chinese state-owned shareholders among the top ten shareholders exceeds 10%, the value is set to 1; otherwise, it is set to 0. As can be seen from column (1) of Table 3, the correlation coefficient between reverse mixed-ownership reform and the information efficiency of the capital market is 0.230, which is significant at the 1% level, indicating that the main conclusion still holds after changing the measurement method.

#### 4.2.2 Replace the explained variable

With reference to Yi Zhihong et al.<sup>[14]</sup>'s research results, calculate stock price synchrony by following these steps. First, perform a regression analysis on the weekly return data of stock *i*:

$$R_{i,w,t} = \beta_0 + \beta_1 R_{M,w,t} + \beta_2 R_{M,w-1,t} + \beta_3 R_{I,w,t} + \beta_4 R_{I,w-1,t} + \varepsilon_{i,w,t} \quad (3)$$

$R_{i,w,t}$  represents the return rate of stock *i* in week *w* of year *t*, taking into account the reinvestment of cash dividends;  $R_{M,w,t}$  refers to the weighted average rate of return of all companies in the A-share market based on the market capitalization of tradable shares in week *w* of year *t*;  $R_{I,w,t}$  represents the market capitalization-weighted average return of stock *i* in its industry during week *w* of year *t*, excluding stock *i* itself, based on the CSRC's 2012 standard for industry classification. These calculations were used to obtain the value of  $R^2$ .

Subsequently, perform a logarithmic transformation on  $R^2$  to obtain the  $SYNCH_{i,t}$  indicator of stock price synchrony of stock *i* in year *t*:

$$\text{SYNCH}_{i,t} = \ln(R_{i,t}^2 / (1 - R_{i,t}^2)) \tag{4}$$

$$\text{ZX}_2 = -\text{SYNCH}_{i,t} \tag{5}$$

As shown in column (2) of Table 3, the correlation coefficient is significant at the 5% level, further verifying the robustness of the research conclusion.

**4.2.3 Propensity score matching method**

Propensity score matching method is used to address the endogeneity problem caused by sample selectivity bias. To ensure the comparability of key variables between the experimental group and the control group and reduce selectivity bias, in this study, based on the median cumulative shareholding ratio of state-owned shareholders, enterprises with a higher shareholding ratio of state-owned shareholders were classified as the control group, and enterprises with a lower shareholding ratio were classified as the experimental group. The matching variables included company size, debt-to-asset ratio, net profit margin on total assets, total asset turnover rate, cash flow ratio, proportion of fixed assets, growth rate of operating income, years of listing, board size, proportion of independent directors, and the situation of the integration of two positions. Using the logit model, a 1:3 nearest neighbor matching with a maximum distance of 0.05 was performed on the experimental group (which ensured the balance assumption after matching), and regression analysis was finally performed on the matched samples. The results are shown in column (3) of Table 3. The coefficient for reverse mixed-ownership reform of private enterprises was 0.015, and it was significant at the 1% level. Therefore, after applying the propensity score matching (PSM) method to address the endogeneity problem caused by sample selectivity bias, the study hypothesis H1 still holds.

Table 3: Robustness tests.

Variable	(1) Replace the explanatory variable ZX	(2) Replace the explained variable ZX2	(3) PSM ZX
MIX2	0.303**(0.131)		
MIX		0.865*(0.476)	2.148***(0.781)
control variable	yes	yes	yes
Constant	7.454***(0.260)	4.469***(0.167)	9.471***(0.773)
Individual	yes	yes	yes
Year	yes	yes	yes
Ind	yes	yes	yes
F	yes	88.062	16.952
N	yes	21,283	11,611
R <sup>2</sup>	yes	0.429	0.532

**4.2.4 Instrumental variable method estimation**

Use the IV 2SLS method to deal with endogeneity problems caused by reverse causality, missing variables and measurement errors. Specifically, the mean of state-owned capital shareholding ratios of other listed companies except itself in the year in which the sample company was located was selected as the instrumental variable (IV). This means can reflect the overall trend of reverse mixed-ownership reform at that time, but it does not directly affect the capital market information efficiency of a particular enterprise. Given that the instrumental variable two-stage regression analysis requires the endogenous variable to be continuous, this analysis is only conducted on MIX, the results are shown in Table 4 as follows. The Cragg-Donald statistic was as high as 63000 after the weak instrumental variable test, indicating that the selected instrumental variable was effective. From the regression results in Table 4, in the first stage, IV was significantly negatively correlated with MIX at the 1% level; In the second phase, MIX was significantly positively correlated with ZX at the 1% level. Therefore, after using IV 2SLS to mitigate the impact of endogeneity issues, reverse mixed reform still shows a significant positive relationship with the information efficiency of the capital market.

Table 4: Instrumental variable method.

Variable	(1)MIX	(2)ZX
MIX		1.894***(3.48)
IV	119.218***(-250.93)	
Constant	158.765***(0.633)	6.463***(0.300)
control variable	yes	yes
Constant	1.642***(0.010)	9.845***(0.629)

Individual	yes	yes
Year	yes	yes
Ind	yes	yes
N	21,664	21,664
F		79.177
R <sup>2</sup>		0.0447

4.3 Further analysis

Since the mixed-ownership reform of private enterprises has optimized the equity structure of the company, the introduction of state-owned capital is conducive to improving the governance level of the company and thus acting on the information efficiency of the company's capital market. Therefore, the internal governance indicators were constructed from three dimensions: equity characteristics, organizational size, and compensation mechanism. Referring to Bai Chongen's (2005)<sup>[15]</sup> approach, the entropy weight method was used to measure the governance level of the company. The specific metrics are shown in Table 5.

Table 5: Mediation variable definition table.

Dimensions	Meaning	Variable	Variable Description
Equity Characteristics	Shareholding ratio of the largest shareholder	FRIO	The number of shares held by the first major shareholder/total number of shares
	The shareholding ratio of the top ten shareholders	CRI0	The sum of the shareholdings of the top ten shareholders/total number of shares
Size of organization	Board size	BODS	Ln (Number of Board Members)
	Supervisory Board size	SUPS	Ln (Number of Supervisory Board Members)
	Executive size	ES	Ln (Number of Senior Management Personnel)
Compensation mechanism	Average compensation for directors during the reporting period	DAP	Ln [(Total Compensation of the Board in the Reporting Period/Number of Board Members)]
	Average salary of supervisors during the reporting period	SAP	Ln (Total compensation of the board of supervisors/Number of board of supervisors members)
	Average executive compensation during the reporting period	EAP	Ln [(Total Compensation of Executives during Reporting Period/Number of Executives)]

Next, the mediating effect model proposed by Wen Zhonglin et al. (2005)<sup>[16]</sup> will be used to examine the mediating role of corporate governance level in the impact of mixed-ownership reform of private enterprises on the information efficiency of the capital market. The mediating effect model consists of the previous model (1), as well as the following models (2) and (3) :

$$score_{i,t} = \alpha + \gamma_1 MIX_{i,t} + \gamma_2 \sum Control_{i,t} + \gamma_3 year + \gamma_4 ind + \epsilon_{i,t} \quad \text{model(2)}$$

$$ZX_{i,t} = \alpha + \alpha_1 MIX_{i,t} + \alpha_2 score_{i,t} + \alpha_3 \sum Control_{i,t} + \alpha_4 year + \alpha_5 ind + \epsilon_{i,t} \quad \text{model(3)}$$

Columns (1) - (3) in Table 6 report the test results of the mediating effect of the company's internal governance in reverse mixed-ownership reform and the information efficiency of the capital market. In column (1), the regression coefficient of MIX to ZX is 1.363, which is significant at the 1% level, indicating that reverse mixed-ownership reform can significantly improve the information efficiency of the capital market. In column (2), the correlation coefficient between score and MIX is 0.152, which is significant at the 1% level. Similarly, in column (3), the regression coefficient between ZX and score is 0.276, which is significant at the 1% level. Therefore, reverse mixed-ownership reform can improve capital market information efficiency by improving corporate internal governance, the mediating effect of internal governance holds, and Hypothesis H2 is verified.

Table 6: Mediating effect test.

Variable	(1)ZX	(2)score	(3)ZX
MIX	2.085***(0.705)	0.107***(0.031)	2.048***(0.706)
score			0.344*(0.179)
Control variable	yes	yes	yes

Constant	9.845***(0.629)	0.564***(0.037)	9.651***(0.638)
Individual	yes	yes	yes
Year	yes	yes	yes
Ind	yes	yes	yes
F	33.279	98.588	31.298
N	21,283	21,283	21,283
R <sup>2</sup>	0.507	0.868	0.507

To further verify the mediating effect, the Bootstrap test method was used. The Bootstrap test is more accurate and persuasive than the stepwise test of regression coefficients and the Sobel test, and its results are presented in Table 7. After 1000 samples, the confidence intervals for both direct and indirect effects did not contain 0 at 95% confidence levels, indicating that the Bootstrap mediating effect test was confirmed, thus verifying the study's conclusion.

Table 7: Bootstrap test results.

Effect types	Observed.coef.	Bootstrap std. err.	z	P> z	Normal-based 95% conf. interval
Indirect	-.0460018	0.0294	-2.04	0.042	(-0.0902768,-0.0017267)
Directly	1.392592	0.2517	3.52	0.000	(0.6175173,2.167668)

#### 4.4 Heterogeneity Analysis

##### 4.4.1 Marketization level

In regions where marketization is more mature, the problem of information asymmetry may already be relatively low, and the effect of reverse mixed-ownership reform on improving information efficiency may be relatively limited. Based on this, it can be inferred that in regions with a higher degree of market development, reverse mixed-ownership reform has a smaller impact on the capital market information efficiency of enterprises. To verify this hypothesis, based on the "China Provincial Marketization Index Report", the marketization index is used to measure the market development level of the province where the enterprise is located, referring to the practice of Dai Fei et al. (2025)<sup>[17]</sup>, and grouped tests are conducted with the median of the annual sample as the benchmark. According to the data shown in Table 8, it can be found that the regression coefficients of the samples with lower marketization levels have a positive effect at the 5% significance level, indicating that reverse mixed-ownership reform has a positive promoting effect on the information efficiency of the capital market.

##### 4.4.2 The development environment of the private economy

When the private economy is doing poorly, private enterprises have relatively scarce resources. After reverse mixed-ownership reform, private enterprises can take advantage of the resources of state-owned enterprises, which may have more efficient enterprise resource planning (ERP) systems. Through mixed-ownership reform, private enterprises can introduce and apply these systems, thereby better integrating internal enterprise information and improving the efficiency of information transmission and processing within the enterprise. From an external perspective, enterprises that have undergone mixed-ownership reform may have improved their position in the market and be able to attract more information service providers and financial intermediaries to cooperate with them. These institutions can help enterprises better convey information to the capital market. For instance, professional consulting firms can assist enterprises in sorting out and releasing strategic information, and investment banks can help enterprises package and promote financing information, thereby enhancing the efficiency of information in the capital market. To test the reasoning, the development of the private economy in the province where the company is located is measured by "the proportion of the non-state-owned economy in the main business income of industrial enterprises", and grouped tests are conducted based on the median of the annual sample. The data in Table 8 shows that in regions where private economy development is weak, reverse mixed-ownership reform significantly enhances the information efficiency of the capital market.

Table 8: Heterogeneity test results.

Variable	Marketization level		The development environment of the private economy	
	Low level	High level	Poor environment	Good environment
MIX	0.013**(0.006)	0.007(0.008)	0.016**(0.006)	0.007(0.007)
Constant	8.773***(0.947)	9.741***(0.972)	8.671***(0.942)	10.718***(0.887)

Control variable	yes	yes	yes	yes
Individual	yes	yes	yes	yes
Year	yes	yes	yes	yes
Ind	yes	yes	yes	yes
F	11.679	19.250	14.198	22.923
N	9,159	12,423	10,927	11,010
R <sup>2</sup>	0.538	0.531	0.512	0.529

## 5. Conclusions and Recommendations

Using data from non-financial private listed companies in the A-share market from 2012 to 2023, this study empirically analyzed the impact of reverse mixed-ownership reform on the information efficiency of private enterprises in the capital market and its mechanism through the fixed-effect model. The results show that reverse mixed-ownership reform significantly improves the capital market information efficiency of private enterprises, and this finding remains robust after the robustness test and the treatment of endogeneity problems. Mechanism tests revealed that reverse mixed-ownership reform can significantly improve the internal governance level of enterprises, thereby enhancing the information efficiency of the capital market. Heterogeneity tests have found that reverse mixed-ownership reform is more effective in improving the capital market information efficiency of private enterprises when the level of marketization and the environment for the development of the private economy are lower. This study not only enriches the literature on reverse mixed-ownership reform and the information efficiency of enterprises in the capital market, but also provides empirical support for private enterprises to focus on their core business, cultivate core competitiveness and achieve high-quality development.

Based on the conclusions of this paper, the following suggestions are made: (1) Policy makers may consider introducing more policies conducive to cooperation between state-owned capital and private enterprises to create a favorable external environment for their cooperation, while strengthening supervision over the reverse mixed-ownership reform process to ensure that its positive role in improving corporate governance and the efficiency of information in the capital market is fully exerted. (2) In the process of seeking development and transformation, private enterprises should actively explore cooperation opportunities with state-owned capital, optimize their own equity structure and governance mechanism by introducing state-owned capital, and thus gain an advantage in the fierce market competition. (3) For investors, the implementation of reverse mixed-ownership reform may lead to a revaluation of the enterprise value. Investors should fully consider the impact of reverse mixed-ownership reform on enterprise governance and information efficiency when assessing the enterprise value. Investors can make wiser investment decisions by keeping an eye on the dynamics of the enterprise's mixed-ownership reform and analyzing its potential impact on improving the enterprise's transparency and decision-making quality. In addition, as capital market reforms continue to deepen, future research can also focus on the mechanism and effect changes of reverse mixed-ownership reform in the newmarket environment.

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