

Research on the Choice of Enterprise Value Investment under the COVID-19 Epidemic: A Case Study of Chinese Liquor Industry

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ABSTRACT

The liquor-making industry has special social status and economic value in China, which is an essential part of the national economy. The COVID-19 epidemic spread around the world in 2020, resulting in a decrease in the consumption demand for baijiu and a subsequent decline in baijiu stock prices. This paper selects Guizhou Mao Tai, Wu Liangye, and Yang He as the research objects. It uses the combination of quantitative and qualitative research to do further research on enterprise value investment under the COVID-19 epidemic. The research results show that: First, in terms of the company's financial position, Moutai is the best in terms of profitability, debt paying ability and operational ability and Mao Tai and Wu Liangye are even in development ability; Second, from the company's investment value, the price-earnings ratio of the three companies has increased year by year, compared with the higher price-earnings ratio and a price-to-book ratio of Mao Tai; Thirdly, through SWOT analysis, we found that Mao Tai has advantages in terms of technical uniqueness and corporate positioning, but has disadvantages in terms of production duration and management efficiency, and is facing the challenges of raw material supply and corporate competition. Finally, the conclusion is drawn that, from the perspective of quantitative analysis, Guizhou Mao Tai among the three enterprises has the stronger overall operating capacity and more investment advantages. From the qualitative analysis, in the development of Mao Tai, the internal and external strategic environment will continue to promote its market share. The results show that among the three enterprises, Mao Tai has more investment value. The study of value investment choice in this paper has important theoretical and practical significance.

Keywords: COVID - 19 outbreak; Liquor-making industry; Value investment; Qualitative analysis; Quantitative analysis

1.Introduction.

The COVID-19 epidemic will spread worldwide in 2020, and the economy of all countries will be impacted. Although the epidemic has been brought under control in China, the spread of the epidemic outside China and its adverse impact on the world economy will also bring new challenges to China's economic development. Liquor, as a food industry that has been greatly affected, is also hard to escape. The limit sharply reduced February 3, liquor stocks, wine stocks, rice wine stocks, beer stocks, and so on, only a few listed wine companies to resist this wave of "bad". From the perspective of influence, China has made every effort to prevent and

control the epidemic, prevent large-scale population movement and clustering, and practice quarantine at home. Therefore, related consumption such as catering and tourism has been hit the most, and the market consumption demand has been significantly reduced. At the same time, enterprises delay the resumption of work, and other measures, the manufacturing industry will form a production cut or stagnant development. The short-term impact of macro-economic growth has become a foregone conclusion, and the development of liquor is naturally affected by it. As for liquor, the epidemic will exert negative effects on market consumption, such as great inhibition. Considering that the impact of the epidemic on the catering and other

service industries will last for a long time and recover slowly, it will cause short-term losses and subsequent impacts on the development of the liquor industry at the macro level.

This paper takes the value investment theory as the research perspective to study the investment choice of the liquor industry under the COVID-19. The theory of value investing was developed by Benjamin Graham and David Dodd in their book *Security Analysis*, 1934) proposed by graham, put forward the theory has its specific era background and the market at that time in the development. The investment is not invariable, the heirs of the theory of masters such as fisher, lynch, Buffett investment based on absorbing the essence, the combination of market and investment practice, to improve the development, the formation of the distinctive theory [1].

1.1. Benjamin Graham's Margin of Safety Principle

As The founder of value investment theory, Graham published two investment books, *Security Analysis* (1934) and *The Intelligent Investor* (1949). The connotation and analytical framework of this theory are comprehensively explained [2]. He came up with the "margin of safety" theory, which refers to the deviation of the price of a stock relative to a company's intrinsic value. When the stock price is lower than the intrinsic value, the margin of safety of buying a stock is relatively large. The investment risk is relatively small, and accordingly, it is more certain to obtain higher returns with low risk [3]. Graham emphasized that choosing cheap penny stocks generally means that the market seriously undervalues the stock to obtain a large margin of safety. In this case, even if the estimate of intrinsic value is not so accurate, investors can get a large margin of safety and a large profit space.

1.2. Philip Fisher's Growth Stock Value Investing

Philip Fisher put forward the theory of value investing in *Growth Stocks* and wrote a book called *Common Stocks and Uncommon Profits*. Fisher pays particular attention to looking for Stocks with high growth potential in the future. And the factors that can promote the high growth of enterprises are included in the scope of factors that affect the core competitiveness of enterprises. He believes that the evaluation of a company's growth depends on multiple factors, such as research and development and innovation ability, irreplaceable products or services, management literacy and morality of the management, and other factors that can affect the long-term profitability of the company. In terms of the evaluation of intrinsic stock value, different from Graham, who only focused on quantitative

indicators such as data in financial statements, Fisher only took financial indicators as one aspect to judge the growth and profitability of a company [4]. In addition, he pays special attention to some qualitative factors and summarizes 15 rules; At the same time, an important means to obtain such information is given, namely "small talk method": through talking with enterprise management, grass-root employees, suppliers, consumers and competitors, some information hidden outside the statements can be found to support one's judgment [4].

1.3. Warren Buffett's Theory of Value Investing

Buffett will graham, based on the results of quantitative analysis and fisher for the rectification and improve the qualitative level of analysis fusion, formed the famous "investment value growth" [5]. On the other hand, in for quantitative factors such as earnings, derive the graham quantitative analysis of thought, and set strict standards of quantitative indicators. Such as return on equity or lower than the asset-liability ratio had better not exceed; Emphasize cash flow indicators. The gross profit margin of the enterprise should be higher, and the higher, the better. And these financial indicators must meet the standards for at least several consecutive years, excluding the non-main business part, to ensure a stable margin of safety. On the other hand, Buffett, like Fisher, emphasized the importance of paying attention to the company's management for the stock price; Adhere to the concentration of high-quality stocks against excessive portfolio dispersion; Emphasis on the source of sustained competitive advantages and future growth prospects of enterprises [6]

In summary, although there have been a lot of research reviews on value investing, there are still few reviews on the liquor industry in the context of COVID-19. This paper mainly studied the development status and investment value of three representative enterprises in the liquor industry affected by the COVID-19 epidemic in recent years to find the choice of investment value in the liquor industry.

2 Data and method

2.1. Enterprise basic information and data sources

This paper analyzes the selected data from 2017 to 2020 companies' public financial statements and public stock data information. It selects Guizhou Mao Tai Co., Ltd., Sichuan Yibin Wu Liangye Group Co., Ltd, and Jiangxi Yang He Brewery Co., Ltd. Based on two principles:

The first is the principle of accessibility. All three companies are listed companies, and their financial data and stock data are available.

Second, the principle of importance and representativeness. The three companies have entered the mature period, Mao Tai is the model of Mao Tai-flavor liquor, and Wu Liangye and Yang He is the models of Luzhou-flavor liquor, all of which are in the leading position in the liquor industry in China.

2.2. Research Methods

The data is analysed at the time of collection so that the research team can take advantage of the flexibility provided by the case study approach [7]. Our calculation of the data on the published financial results has obtained indicators to evaluate the enterprise's profitability, solvency, operating ability, and development ability.

Profitability refers to the ability of a company to obtain profits after investing [8], which is generally measured by operating profit margin, cost and expense rate, and return on net assets. Through the analysis of such indicators, the profit margin of an enterprise can be better judged.

Solvency refers to the company's ability to repay its debt, reflecting its financial position and operating ability. The measurement indicators mainly include the current ratio, quick ratio, and asset debt ratio [9].

Operation capacity, in simple terms, is the operation and operation capacity of an enterprise. The measures are total assets turnover, accounts receivable turnover, and inventory turnover [10].

Development capability refers to the growth potential of an enterprise. The main measurement indicators are net profit growth rate and operating income growth [11].

P/E ratio is the ratio of the company's stock price to earnings per share, revealing the relationship between the company's earnings and the stock price [12]. Expressed as:

$$P/E = \frac{P}{EPS} \quad (1)$$

In the formula: P/E—price-to-earnings ratio; P—the stock market price; EPS—annualized earnings per share.

The book-to-book ratio is the ratio of the stock price to the book value, expressed as:

$$P/B = \frac{P}{BV_{t+1}} \quad (2)$$

In the formula: P/B—price-to-book ratio; P—the stock market price; BV_{t+1} —Company's book value per share [12].

3 Results and discussion

Whether an enterprise's shares are worth investing in is generally influenced by the financial position and performance of the enterprise. Quantified, the difference between the price of the enterprise's shares and the enterprise's intrinsic value is considered. If the stock price is lower than the intrinsic value of the enterprise, there is the value of the investment; If the stock price is higher than the intrinsic value of the enterprise, there is no value for the investment. In evaluating the investment value of the three companies, this paper adopts the method of combining qualitative analysis with quantitative analysis. Through the quantitative analysis and comparison of the three companies' internal financial statements, the three companies' internal financial conditions are evaluated, and the investment value of the three companies is estimated through the methods of price-earnings ratio and price-to-book ratio. Qualitative analysis is mainly used to show the strengths, weaknesses, opportunities, and threats faced by Guizhou Mao Tai Company. Therefore, the combination of quantitative and qualitative analysis is a good way to correct the investment choice of the research object's value and estimate the investment value more scientifically.

3.1. Analysis of financial position

The stock price of an enterprise is affected by the operating conditions of the enterprise. If the company is in good operating condition, the stock price rises; otherwise, the stock price falls. Therefore, when analyzing the stock price of an enterprise, we should first consider the operating conditions of the enterprise at the corresponding stage of the stock. To understand the operating conditions of an enterprise, one has to analyze the enterprise's financial data to a large extent. By analyzing the financial statements, one can master the profitability, debt-paying ability, operating ability, and enterprise development ability. They can conduct a comprehensive analysis and understanding of the financial conditions of the enterprise and provide a reference for investors to make correct investment choices.

3.1.1. Profitability

Profitability is an important indicator that reflects the value of an enterprise. By comparing the profitability of three enterprises, we can find out which enterprise creates the most value by using its assets. Compared with other traditional financial indicators, corporate stakeholders such as corporate executives, shareholders, and other investors in the capital market are more sensitive to profitability.

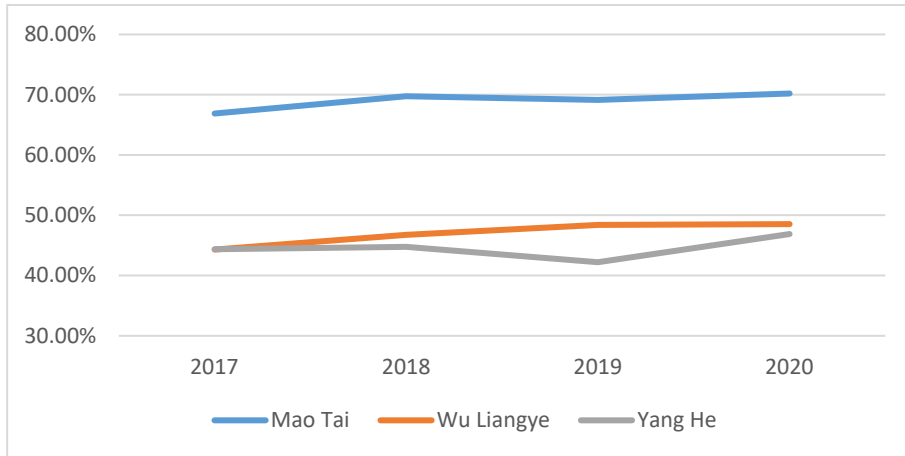


Figure 1 Enterprise Operating Profit

As shown in Figure 1, the operating profit margin of Mao Tai is relatively high, indicating that its products are relatively competitive in the market and have a

relatively strong ability to obtain profits. To a certain extent, Mao Tai has a good development prospect and growth potential.

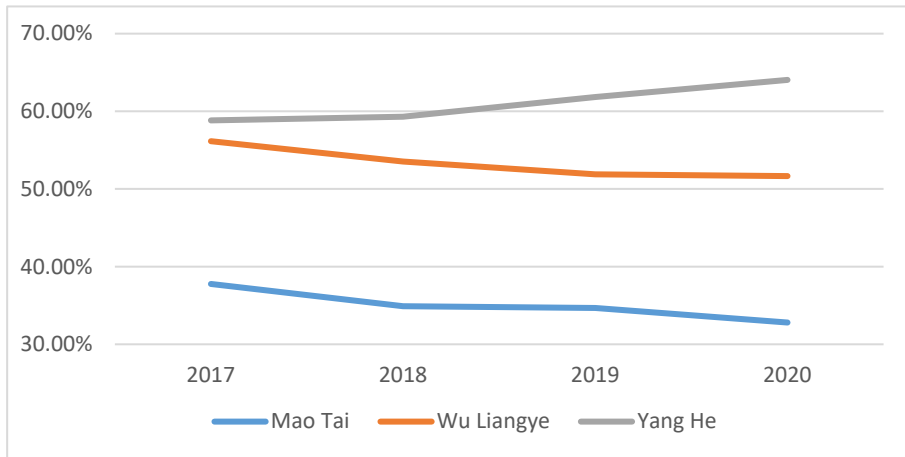


Figure 2 Enterprise Cost and Expense Ratio

As shown in Figure 2, the cost expense rate of Mao Tai is between 30%-40%, that of Wu Liangye is between 50%-60%, and that of Yang He is about 60%.

Therefore, the cost expense rate of Mao Tai is the lowest, indicating that Mao Tai has a strong ability to use cost.

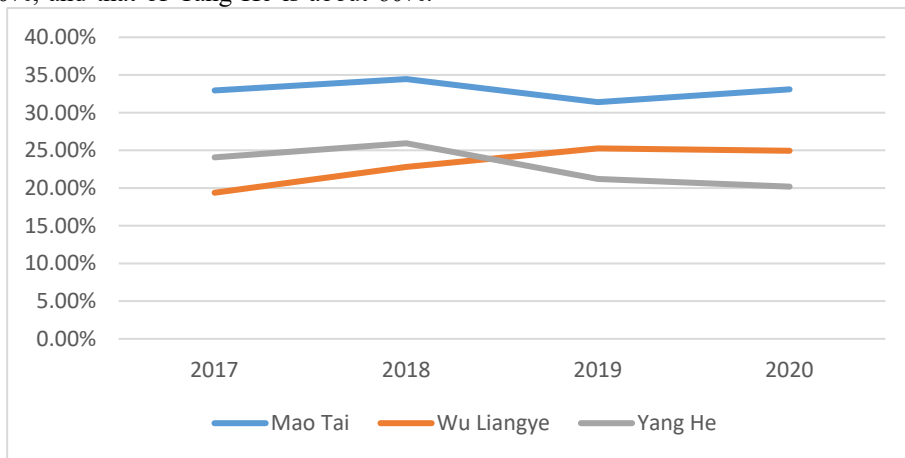


Figure 3 The Return on Equity of the Enterprise

Source: Dong Fang Fortune

As can be seen from Figure 3, the return on net

assets of Mao Tai is significantly higher than that of the other two enterprises, indicating that the operating

efficiency has been improved to a certain extent. It is also the main reference standard for judging the profitability of enterprises.

Through the above analysis, we can see that the profitability of Mao Tai is in the leading position among the three enterprises.

As an important indicator of a company's financial ability, an enterprise's debt repayment ability directly demonstrates the company's cash payment ability and debt repayment ability, indicating the company's comprehensive competitiveness in the market.

3.1.2. Solvency

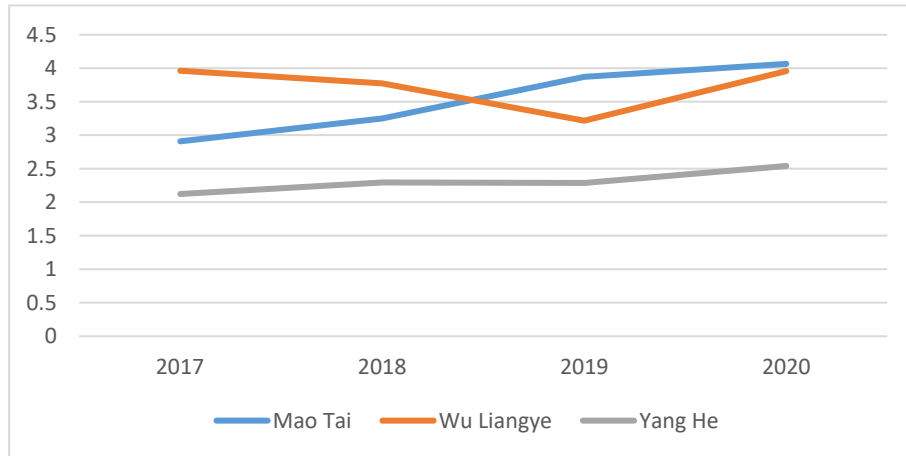


Figure 4 Enterprise Liquidity Ratio

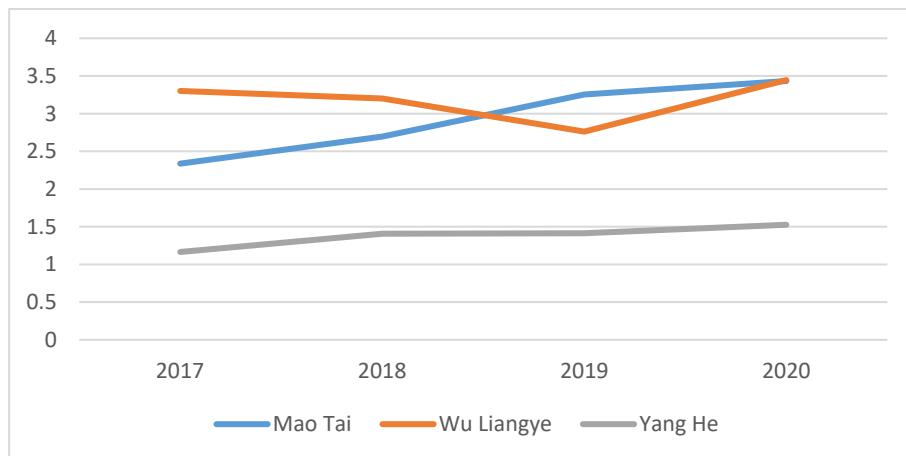


Figure 5 Enterprise Quick Ratio

It can be seen from Figure 4 and Figure 5 that in the short-term solvency, the current ratio and quick ratio of Mao Tai have both increased steadily. It indicates that the liquidity of accounts receivable of Mao Tai has gradually increased, and the short-term risk of debt has decreased.

However, Wu liangye experienced a slight decline from 2018 to 2019, and Yang He's short-term debt-paying ability was relatively poor, but all three enterprises met the standard.

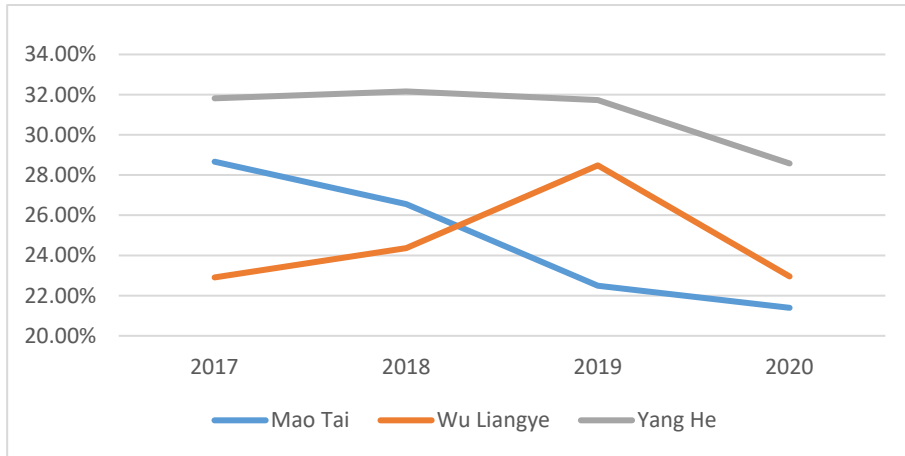


Figure 6 Asset-liability ratio of enterprises

Source: Dongfang Fortune

According to Figure 6, in the long-term solvency, the long-term solvency of Mao Tai and Yang He shows an upward trend. At the same time, the asset-liability ratio of Wu Liangye increased year by year from 2017 to 2019, with the solvency weakened. However, by 2020, the asset-liability ratio decreased significantly, the long-term solvency was improved, and the future solvency of Wu Liangye will be further improved.

On the whole, Mao Tai has strong solvency among the three enterprises.

3.1.3. Operation ability

The operating capability of an enterprise is a reflection of the operating efficiency of assets. Only by analyzing and studying the operating capability in detail can a more accurate evaluation be made of the circulating operating efficiency of a company's assets.

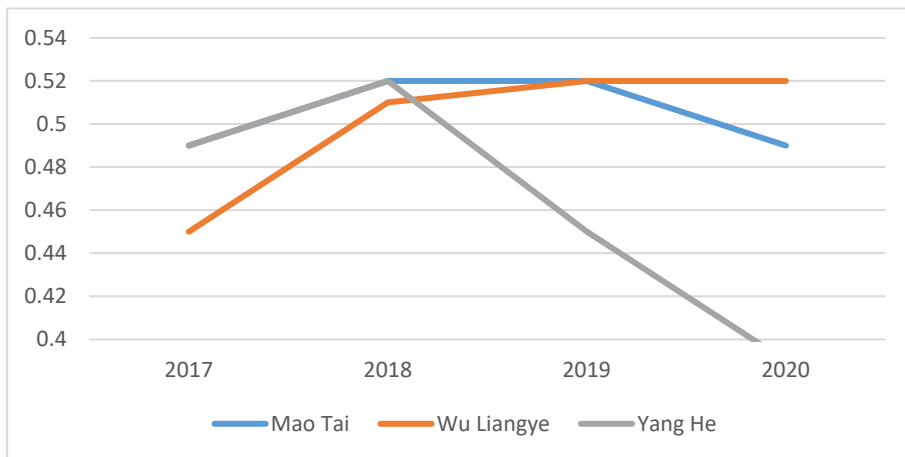


Figure 7 Total Assets Turnover Rate of An Enterprise

Source: Caiyi

As shown in Figure 7, the total assets turnover rates of the three enterprises are not significantly different. The total assets turnover rate of Mao Tai was relatively

high from 2018 to 2019. The total assets turnover rate of Wu Liangye increased year by year, with high operating efficiency.

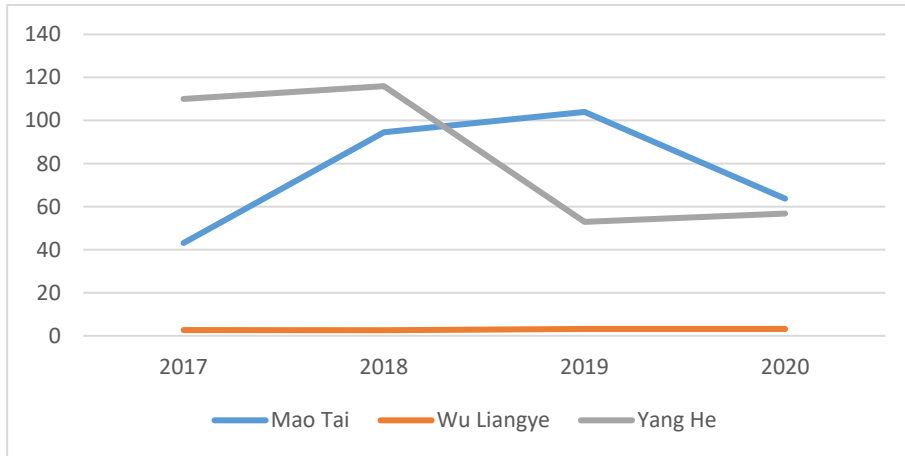


Figure 8 Enterprise Accounts Receivable Turnover Rate

Source: Caiyi

According to Figure 8, the receivable turnover rate of Wu Liangye is low, which indicates that the company has a slow collection rate, a long average collection period, a large loss of bad debts, a slow flow of assets, and weak solvency.

receivable turnover rate, which ensures the safety of funds and certain solvency and indicates that they can recover accounts receivable. The withdrawal of own funds from accounts receivable for other expansion of production scale or product research and development will further enhance the level of self-protection of profits.

Mao Tai and Yang He has a relatively high accounts

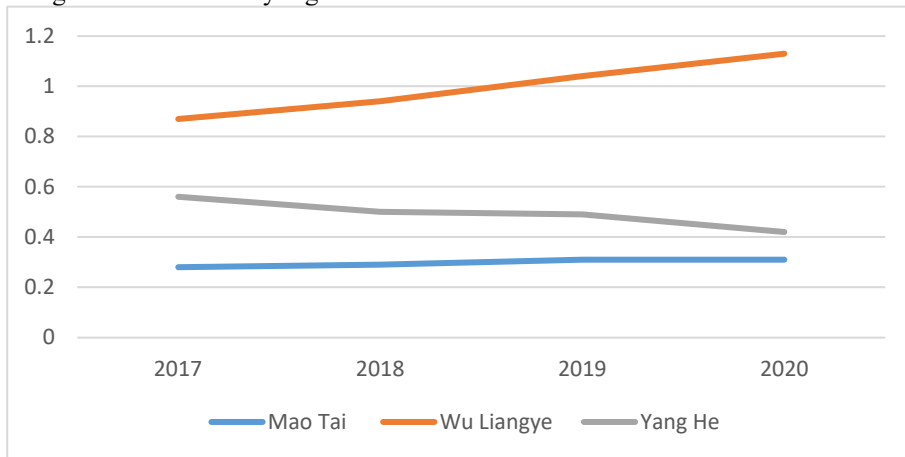


Figure 9 Enterprise Inventory Turnover Rate

Source: Caiyi

As shown in Figure 9, the low inventory cycle rate of Mao Tai indicates that Mao Tai has a large inventory. The reason for the large inventory may be that the brewing process of Mao Tai is more complicated, and the output of Mao Tai increases. At the same time, it can be seen that the inventory turnover rate of the three enterprises is not high, which is due to the particularity of the liquor industry. Liquor is the fragrance of old, and inventory turnover is not the higher, the better.

Comprehensive analysis shows that Mao Tai has a strong operating capacity.

3.1.4. Capacity development

Development capability is a measure of the growth potential of an enterprise. The main measurement indicators are the growth rate of net profit and the growth rate of operating income.

In addition to intuitive profit indicators, more and more stakeholders are beginning to pay attention to the growth ability of enterprises, the core of which is the potential or future development ability. Based on the data that has occurred in the past, future growth can be inferred. Referring to the common practice of previous studies, net profit growth rate and operating income growth rate are used as proxy variables to measure the growth ability of the three enterprises, and this indicator is positively correlated with their growth ability.

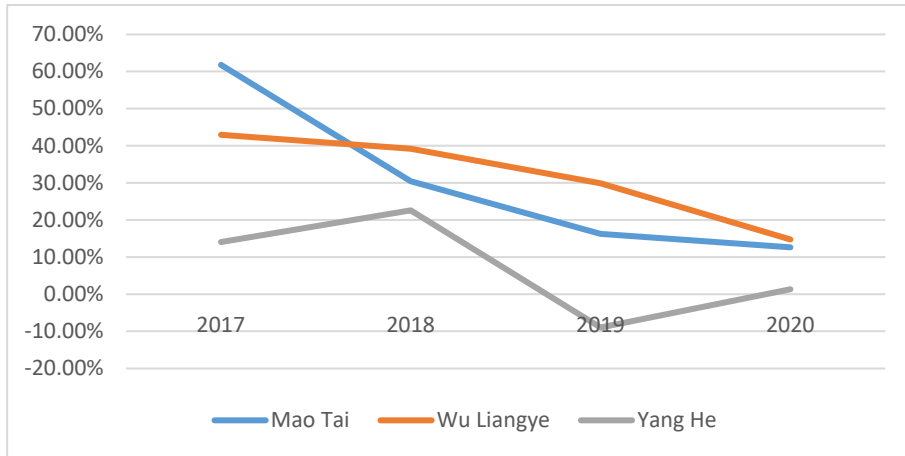


Figure 10 Growth Rate of Corporate Net Profit

Source: Caiyi

As shown in Figure 10, the net profit growth rate of the three enterprises has decreased after 2018. The net profit growth rate of Mao Tai in 2018 was about 30%, and it will decrease to about 10% by 2020. The net

profit growth rate of Wu Liangye dropped from about 40% in 2018 to about 10% in 2020. Yang He's net profit growth even reached a negative value in 2019 and increased in 2020.

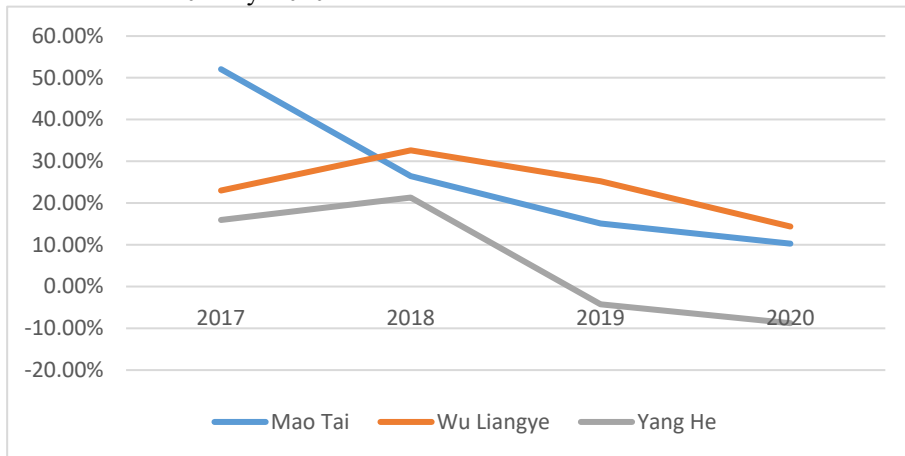


Figure 11 Growth Rate of Enterprise's Operating Income

Source: Caiyi

Affected by Sino-US economic and trade frictions, the growth rates of operating income of the three enterprises began to show a downward trend in 2018, and Yang He experienced negative growth of operating income in 2019 and 2020. Since 2020, liquor is no longer a restricted consumer product, so the growth rate of operating income in 2020 has decreased, but the rate of decline has decreased. In contrast, Wu Liangye's net profit growth rate and revenue growth rate declined less, and it successfully overtook Mao Tai Group in 2018. Therefore, from the perspective of long-term

development, Mao Tai's biggest competitor is Wu Liangye.

3.2. Valuation analysis

3.2.1. Price-earnings Ratio

The Price-earnings ratio is one of the most commonly used indicators to measure the stock price level. It is calculated based on the share price and the company's earnings per share (EPS) corresponding to the share price, and therefore it is possible to assess the level of the share price.

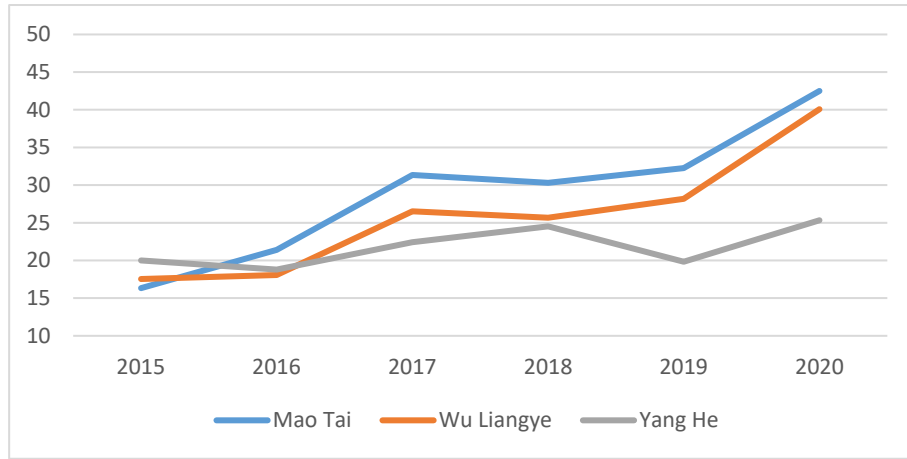


Figure 12 Enterprise P/E Ratio

Source: Billion Niu Wang

The price-earnings ratio of the three companies has shown an upward trend, which is mainly due to the higher expectation of investors for the liquor industry, so the price-earnings ratio has increased year by year.

When we valued the future share price, we selected the 2020 price-earnings ratio (42.49 for Mao Tai, 40.08 for Wu Liangye, and 25.35 for Yang He). We evaluated the earnings per share forecast for 2021 and 2022 with 10 institutions. As shown in table 1.

Table 1 Enterprise earnings per share forecast.

	Mao Tai		Wu Liangye		Yang He	
	2021	2022	2021	2022	2021	2022
China merchants securities	42.11	47.55	6.31	7.38	5.34	6.38
Everbright securities	43.63	50.71	6.36	7.57	5.6	6.47
Orient securities	43	50.34	6.3	7.48	5.51	6.46
Huatai Securities	42.98	50.34	6.36	7.66	5.58	6.4
Minsheng securities	44.11	51.18	6.2	7.4	5.7	6.3
Huachuang securities	43.82	51.47	6.35	7.59	five	5.64
Changjiang securities	42.51	50.87	8.11	10.42	5.51	6.37
Guangfa securities	42.74	53.64	6.2	7.66	6.01	6.94
Guotai Junan	43.03	49.38	6.29	7.46	5.39	6.54
CITICS	41.92	46.56	5.86	7.03	5.27	6.39
average number	42.985	50.204	6.434	7.765	5.491	6.389

Source: Dongfang Fortune

As each institution has different assessment perspectives and different forecast values, but the basic

differences are not significant, we selected the average of 2021 and 2022 as the forecast of earnings per share

for 2019 and 2020. The predicted stock prices of 2021 and 2022 are shown in Table 2. Purchase may be considered when the stock price is lower than the

predicted value, and caution shall be exercised when the stock price is higher than the predicted value.

Table 2 Forecast Share Price.

	2021	2022
Mao Tai	1826.43	2133.17
Wu Liangye	257.87	311.22
Yang He	139.19	161.96

3.2.2. Book-to-book ratio

The price-to-book ratio is a measure of the relative value of a company. Its value is calculated based on the price per share and net assets per share of the company.

The ratio of the two is used as the price-to-book ratio. Generally speaking, the higher the price-earnings ratio, the better the quality of the company's assets, but generally speaking, a price-earnings ratio of 3 indicates that the company has a good development prospect.

Table 3 Enterprise book-to-book ratio.

	Mao Tai	Wu Liangye	Yang He
2017	7.82	4.1	5.05
2018	9.2	4.77	5.72
2019	10.31	6.14	4.72
2020	13.28	9.53	5.08
average value	8.405	4.927	4.888
median	9.755	5.455	5.065

Source: Billion Niu Wang

In valuing our future share prices, we selected the median price-to-book ratio, which was then estimated using net assets per share as of the date of the annual report on 31 December 2020. Mao Tai is 1252.75, Wu Liangye is 120.44 and Yang He is 129.36.

At the same time, it can be seen that there is a certain gap between the value estimates of the three companies obtained by the P/E method and the book-to-book method. It is mainly because there is a certain gap between the EPS forecast of the institutions selected by the P/E method and the actual revenue and profit affected by the policies in the actual situation.

The price-earnings ratio of Mao Tai, Wu Liangye, and Yang He increased year by year. The average price-to-book ratio of Mao Tai stock was 8.405, the average price-to-book ratio of Wu Liangye was 4.927, and the average price-to-book ratio of Yang He was 4.888. Although the price-earnings ratio and price-to-book ratio of Mao Tai are relatively high, the overall financial position of Mao Tai is better than that of the other two enterprises. Therefore, from the perspective of the overall operating capacity of the enterprise, Guizhou Mao Tai is more worthy of investment among the three enterprises.

3.3. SWOT analysis

Next, this paper uses the method of qualitative research to evaluate the soft power of Moutai, combined with SWOT analysis, to clarify the advantages and disadvantages of Moutai in the development process.

3.3.1. Strength

The uniqueness of Technology: the representative of Moutai liquor has a unique style and quality and has high popularity and reputation. It has established a good image and reputation in many years of market competition. That means more people will buy Moutai. Moutai is unique in technology and scarce in resources. Moutai liquor production and blending technology have a strong particularity, combined with the unique regional, climate, and other characteristics, forming an insurmountable technical barrier for imitators. It plays a very good role in protecting the quality and production technology of Moutai liquor and has a unique competitive advantage. The characteristic that Moutai liquor cannot be made without Moutai town is the company's natural barrier. Its unique taste forms a stable consumer group, which is conducive to the firm performance of the company.

Enterprise positioning: Moutai's luxury characteristics and enterprise positioning. With the development of society, Moutai has been given other meanings, such as the symbol of status, the display of status, and so on. Although the company has been refuting the claim of luxury, it is a fact that Moutai has become a luxury. Moutai liquor has been praised and respected by all social classes for its green, healthy, natural, traditional, and supporting agriculture in the difficult period of food supply until now [13]. And this laid a good foundation for Moutai positioning high. Moutai represents a strong brand and an important pillar of social credibility. Moutai liquor is not only a liquor product but also a Moutai display. It represents the tension of wine culture. It has 5 functions of white wine (taste, drink, collection, gift, medical). This undoubtedly improves Moutai's position in the market [14].

3.3.2. Weakness

Special technology: at the same time, Moutai also has many disadvantages. Because of the special technology, white wine liquor can be released after five years, and its capacity cannot grow rapidly. In the production of Moutai liquor, the same batch of raw materials should go through 9 times of steaming and baking, 8 times of cooling, adding koji, fermenting in a pile, fermenting in the pool, and 7 times of distilling. Koji, fermentation in a pile, and fermentation in the pool for 7 times. The seven rounds of wine were divided into three flavor types: Moutai flavor, mellow sweet flavor, and pit bottom flavor. Because the substrate of fermented grains in each round was different, the aroma components of the seven rounds of wine were also different. The alcohol concentration was also different, and the wine age and flavor type were also different. To ensure the stability of Moutai liquor's quality and strict control, it is also necessary to blend Moutai liquor to achieve the state of outstanding Moutai flavor, elegant and delicate liquor, mellow body, long aftertaste, and lingering fragrance in an empty cup. It can be said that Moutai liquor, as some poets said, is the essence of sorghum and the soul of wheat "[14]. The practice has proved that Moutai flavor has special adaptability to other wines. The electrical conductivity of the wine increases with the increase of storage time, which fully proves that the free alcohol molecules are less and less with the increase of storage time. Hence, the wine body is more and more mellow and delicate, and the stimulation of non-spicy throat to the body is less and less. Therefore, due to the special process of Moutai, the production capacity cannot grow rapidly [14].

Low management efficiency: Moutai is a state-owned enterprise and has the common problem of low efficiency. Through quantitative analysis, we found that the management of the fund management efficiency is not high, accounts idle many funds throughout the

year. The management idea cannot follow the changes of the times and lacks modern characteristics. The management thought of state-owned enterprises is still in a backward state. It is the practice and cohesion of enterprises engaged in production and operation. The fundamental purpose of the guiding ideology of dealing with various business management problems is to improve the economic benefits of enterprises [15].

3.3.3. Opportunities

Government support: there are many opportunities for the development of Moutai. The development of society and the emphasis on luxury goods have promoted the development of Moutai as a wine luxury. The Ministry of Finance issued the fund notice of the special action plan for enriching the people and strengthening the county through science and technology in 2010. The project of "key technology integration, demonstration, and promotion of Organic Sorghum industrialization for Moutai liquor" in Renhuai City, Gui Zhou Province was supported by the national special action plan for enriching the people and strengthening the county through science and technology in 2010 [16].

Improvement of people's living standards: with the steady and rapid development of China's economy, Engel's coefficient is decreasing year by year, people's disposable income is constantly improving, consumers' consumption concept is gradually changing, and the requirements for the quality of life are increasing day by day, not just staying on the level of food and clothing, overseas travel, high-end catering More and more consumer items, such as luxury goods, which used to appear only in a few high-income groups, are gradually known and tried by the majority of consumers. The demand for high-end food also promoted the demand for high-end white wine products. Gui Zhou Moutai, which is the main product of Moutai, has adapted to the trend of the times and further expanded its market share both at home and abroad.

3.3.4. Threats

Raw material risk: the development of Moutai is faced with many risks and threats to the ecological environment. Through remote experiments, only in the unique ecological environment of Moutai Town (including microorganism, geology, water source, climate, temperature, humidity, and other factors) can Moutai liquor be produced. Therefore, if the natural ecological environment for brewing Moutai liquor is destroyed, it will inevitably have a significant impact on the production and operation of the company. Raw material risk. The raw materials used by the company are high-quality glutinous sorghum and wheat in Huairan and surrounding areas. In case of the impact of

the natural environment and geographical environment (yield change, quality change, etc.), the price of raw materials and the company's performance will be greatly threatened [14]. Generally speaking, when we talk about Moutai liquor, we will naturally think of Gui Zhou. The raw materials of Moutai liquor are made from local, high-quality sorghum in Gui Zhou. The sorghum here is different from that in other places. The sorghum grown here is the kind of red tassel sorghum, a kind of organic glutinous sorghum. Moreover, this kind of sorghum can only be planted in Moutai Town, Gui Zhou. The sorghum grains produced here are compact, full, small, and thick, and the starch content is very high. Moutai liquor produced by such sorghum fermentation, filtration, and other special processes has its unique quality [13].

Enterprise competition: with the entry of wine and brandy, the concept of liquor consumption has changed a little and has eaten away some market share of white wine. Foreign wine culture has penetrated the world. People who don't like drinking probably don't know that spirits are distilled spirits, but they listen more and listen more. In order not to deviate from the times, they will naturally understand. The policy of opening to the outside world enables the exchange of wine culture among countries. Chinese white wine is the only strong wine. The total alcohol consumption of Korean and Japanese used for the table is below 38 degrees. Therefore, it is not suitable for drinking. With the spirit, vodka, whisky, and brandy are not table wine but pure drinking wine. Chinese white wine is still present at the banquet and is not suitable for drinking directly. In foreign movies and life, people will take a glass of whisky and ice or other modes to speak while drinking to show the noble. It's not that this way is excessive, but these wines can play the role of "coffee or milk tea" in people's lives. Various modes of drinking, so that drinking can be noble or intimate. It's just a way of life. In China, no wine, no dinner has become a banquet standard, as for life? Or choose other more affordable, more relaxed it.

Policy: the impact of anti-corruption. With the development of society, the consumption of public funds and gift giving will inevitably be affected, which will have a certain impact on Moutai. In 2012, the pace of the construction of the party's style and the clean government had been accelerating, and the problems of three public consumption and public funds eating and drinking have been pushed down.

4. Conclusion

In conclusion, on the quantitative aspect, through the comparative analysis of financial data and stock data of Moutai, Wuliangye, and Yanghe, it can be seen that although the market earnings ratio and net market rate of Moutai stock are both large. Moutai's profitability,

solvency, operation ability, and development ability are all ahead of the other two enterprises. Therefore, from the perspective of the overall business capability of the enterprises, Moutai, Gui Zhou Province, is more worthy of investment. Qualitative analysis, through SWOT analysis and internal and external factors analysis, we can find that the value of capital will still be affected by the policy in the short term. However, in the development of Moutai liquor, the internal and external strategic environment will continue to promote its market share.

At present, for the high-end liquor market, its market capacity is relatively limited. In the coming period, Moutai will continue developing and expanding the white wine liquor market based on the existing high-end liquor market. According to the characteristics of the company's products, the wine series products will focus on development in future development. From the multi-dimensional perspective, through the analysis of the company's cash flow, it is helpful for investors to understand their blue-chip performance better and more accurately. On the other hand, the reasonable calculation of the company's equity value can provide the necessary guidance and basis for the choice of investment time point for investors. This paper makes a comprehensive and systematic analysis of the factors influencing the investment value of listed companies, mainly from the external environment and its own development situation, and tries to reflect its operating value and investment value from the comprehensive perspective of innovation. Through the improvement and processing of the existing research results, on the one hand, combining financial data and using stock data, on the one hand, the paper analyzes the fluctuation of stock index and investment value to realize the comprehensive research on qualitative and quantitative aspects and realize the practical guiding significance. In addition, this paper uses SWOT and internal and external factors analysis and uses the residual income model and financial data analysis and makes the accurate judgment on profitability, operation, and development. Repayment ability of Moutai, Wuliangye and Yanghe in Gui Zhou Province with the real and reliable data, and accurately measures the investment value make a reasonable estimate of future business performance. On the qualitative and quantitative level, the analysis is more comprehensive, and the results are more persuasive, which can help investors make scientific decisions.

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