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Financial Strategy and Investment Decision-Making in the Post-COVID Hospitality Sector: Comparative Insights from Macau's Integrated Resorts

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Abstract. Set in the post-pandemic era, this paper examines how the ownership structure influences financial recovery in Macau's integrated resort sector. It compares the local resort SJM with a composite group of four foreign-invested competitors from 2020 to 2024. Drawing on Dynamic Capabilities theory, the study links a profitability–liquidity–risk triad to sensing, seizing and reconfiguring processes.The results indicate a long-term asymmetry in the post-pandemic era: compared to SJM, the foreign-versus-SJM group has a higher profitability, improves the efficiency of their operations more significantly, restores the interest-coverage of their investments more thoroughly and maintains a higher year-end value.These results support three ownership-based hypotheses and suggest that heterogeneity in dynamic capabilities, rather than demand recovery alone, is a key driver of post-crisis financial trajectories in Macau's integrated resorts.

Keywords: Post-pandemic era, Dynamic capabilities, Integrated resorts, Financial resilience, ownership structure

1. Introduction

The COVID-19 pandemic disrupts hospitality demand and capital markets, and studies document pronounced turbulence in tourism and hotel equities as investors reprice risk and liquidity conditions [1,2]. Concurrently, recovery research increasingly emphasizes firms' adaptive capabilities—beyond static resources—positioning Dynamic Capabilities (DC: sensing–seizing–reconfiguring) as a central lens for crisis response and renewal in tourism and related industries [3,4]. However, a hybrid approach that combines DC theory with financial-based indicators and stock- price data is still lacking for contexts that are integral to recreation, such as Macau, specifically when contrasting the structure of ownership of local and foreign entities [5].

This paper, therefore, examines post-COVID financial recovery and risk in Macau's hospitality sector, focusing on the local operator SJM and foreign operators Sands, Wynn, MGM, and Galaxy. It will address three questions: (i) how profitability and operating efficiency evolve after the pandemic; (ii) how financial structure and solvency buffers differ across ownership types; and (iii) how stock-price trajectories (daily closing prices) reflect market perception relative to accounting

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evidence. The study will employ a three-pillar framework—Profitability, Liquidity, and Risk—operationalized with profitability (EBIT margin, ROA), operating efficiency (accounts receivable and asset turnover), and financial structure (Times Interest Earned; cash and debt/net debt), and interpreted through the Dynamic Capabilities lens [3, 4].

Firm-level accounting data will be sourced from annual reports, and stock price series (closing prices) will be retrieved from the Hong Kong Exchange for the period 2020–2024. Descriptive comparisons and ownership-group aggregation will be applied, following the practice in hospitality finance [1,2]. This approach will inform future investment allocation and policy design for Macau's integrated resorts as the sector advances beyond pandemic recovery [5].

Macau's hospitality sector experienced a sharp decline in tourism during the pandemic, as border controls and quarantine regimes significantly constrained visitation and curtailed gaming activity. Inbound rules were significantly eased between late 2022 and early 2023, allowing for a gradual normalization of travel demand [6]. On the regulatory side, the government completed a re-tender of gaming concessions in 2022 and signed six 10-year contracts, effective 1 January 2023, which embed clearer obligations on investment and public-interest objectives [7]. Since 2023, policy has continued to emphasize non-gaming diversification, with official reviews tracking concessionaires' implementation plans and spending commitments [8].

Industry structure has been reshaped alongside these policy developments. The decline of junket-fueled VIP activities has hastened a structural shift towards premium-mass and a wider mass-market approach, prompting operators to realign their offerings to cater to both everyday and higher-value non-VIP clientele as border conditions returned to normal. [9,10]. This transition aligns with the positioning of integrated resorts as multi-attraction destinations, reinforcing the policy goal of expanding the non-gaming share of the tourism economy and stabilizing employment and fiscal bases across economic cycles [7,8].

Ownership characteristics also condition financial strategy. Foreign-affiliated operators in Macau (e.g., Sands China, Wynn Macau, MGM China, Galaxy Entertainment) are listed entities connected to global groups, typically enjoying broader funding optionality and parent-level support through capital-market instruments or revolving facilities. The local incumbent, SJM, represents a contrasting profile, with a greater reliance on syndicated bank lines and domestic arrangements within the concession framework, as reflected in pandemic-period extensions and liquidity backstops. These institutional and market features create a salient context for comparing post-COVID financial recovery and risk across ownership types, motivating a design that combines accounting indicators with stock-price evidence to situate empirical results within Macau's evolving regulatory and demand environment.

2. Literature review and theoretical framework

2.1. Financial recovery and risk literature

The COVID-19 shock disrupts hotel revenues and capital markets worldwide, with tourism and hospitality indices showing pronounced turbulence as investors reprice risk and liquidity conditions [11]. Studies tracking large hotel companies from 2017 to 2022 report a sharp contraction in profitability and a deliberate shift toward liquidity preservation during recovery—implying that resilience often comes at the expense of near-term margins [12]. Pre-shock balance-sheet frictions further condition post-pandemic adjustment: firms with tighter financial restrictions and weaker pre-COVID positions tend to recover more slowly [13].

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Macau constitutes a distinctive integrated-resort setting, characterised by gaming-led revenues, high cross-border visitor dependence, and a policy regime that emphasises swift containment and coordination with concessionaires. Early accounts document how government–concessionaire actions shape operational continuity and funding choices, thereby conditioning recovery paths [5]. Qualitative evidence from the gaming sector underscores vulnerability under border controls and the strategic need to rebalance toward non-gaming activities to achieve a durable rebound [14].

Methodologically, hospitality finance commonly evaluates performance through ratio families that map to a profitability–liquidity–risk triad. Post-COVID comparisons operationalize earnings capacity with EBIT margin and ROA, short-term buffers with quick/current ratios and receivables turnover, and structural risk with leverage and coverage (e.g., debt-to-assets, Times Interest Earned) [15]. Adopting this triad enables consistent interpretation of accounting indicators and alignment—later in this paper—with stock-price evidence in the Macau context.

2.2. Dynamic Capabilities framework

The Dynamic Capabilities (DC) perspective explains how firms purposefully create, extend, and modify their resource bases in response to turbulence through three higher-order processes: sensing opportunities and threats, seizing them through investment and business-model choices, and reconfiguring assets and organizational structures to sustain an advantage [16]. DC emphasizes routinised managerial orchestration rather than static resource endowments and therefore provides a suitable lens for integrated resorts facing post-pandemic volatility [17].

Mapping to financial indicators. For empirical tractability in a finance-oriented setting, each DC process aligns with standard accounting proxies in hospitality finance (Figure 1):

Sensing → Operating Efficiency: Accounts receivable turnover and asset turnover capture the speed and quality of recognizing demand normalization and reallocating capacity.

Seizing → Profitability: EBIT margin and ROA reflect the conversion of sensed opportunities into earnings and asset productivity.

Reconfiguring → Financial Structure: The Times Interest Earned (TIE) and Cash + Debt (Net Debt) ratios indicate balance-sheet repair and capital-structure realignment. Stock-price trajectories (closing-price time series) serve as an external market signal consistent with successful reconfiguration.

Hypotheses. Drawing on DC theory:

H1 (Sensing): Foreign integrated resorts in Macau exhibit higher post-COVID operating efficiency than the local operator (SJM).

H2 (Seizing): Foreign operators achieve stronger profitability improvements (EBIT margin, ROA) than SJM.

H3 (Reconfiguring): Foreign operators display faster balance-sheet repair (higher TIE, lower Net Debt) and more favorable stock-price trajectories than SJM, implying lower financial risk.

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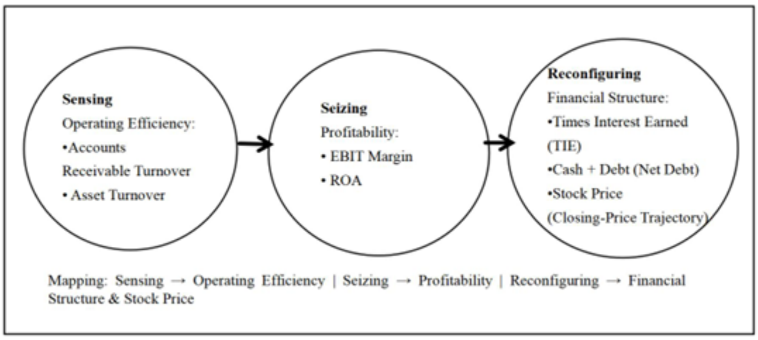

Figure 1. Dynamic Capabilities framework and indicator mapping

These hypotheses connect DC's microfoundations to Profitability–Liquidity–Risk measurement, enabling consistent empirical testing in later sections.

3. Data and methods

This study employs a comparative financial ratio analysis to evaluate the post-pandemic performance of Macau's casino and integrated resort operators, aligning firm-level indicators with a dynamic-capabilities perspective. Economic data for SJM Holdings (the local operator) and four foreign-invested firms—Galaxy Entertainment, Sands China, MGM China, and Wynn Macau—were manually collected from their audited consolidated financial statements for the fiscal years 2020–2024. All figures were extracted directly from officially reported items, including revenue, EBIT, profit attributable to owners, total assets, trade receivables, interest-bearing debt, finance costs, and cash and cash equivalents; no estimations, adjusted pro forma values, or forecasted numbers were introduced, ensuring full traceability and replicability of each indicator. To consistently assess profitability, operating efficiency, and financial risk across various firms and years, six primary accounting-based metrics were developed: EBIT margin (calculated as EBIT divided by revenue), return on assets (ROA; defined as profit attributable to owners divided by average total assets), asset turnover (revenue divided by average total assets), accounts receivable turnover (revenue divided by average trade receivables), net debt (interest-bearing liabilities less cash and cash equivalents, presented in HKD billions), and times interest earned (TIE; determined by dividing EBIT by finance costs). Ratio definitions follow standard accounting practice and were kept identical for all operators, so that any cross-sectional or temporal differences are attributable to underlying performance rather than to mechanical differences in formula choice.

To obtain a benchmark for foreign-invested operators, firm-level indicators were aggregated into a composite "foreign group" series using revenue-weighted averages, allowing larger operators to exert proportionally greater influence on the group outcome in line with their economic scale; for net debt, the absolute positions of the four foreign firms were summed to approximate the group's total financial exposure rather than averaged. Alongside the accounting-based ratios, a market-oriented measure was developed utilizing year-end stock prices. The closing price for each firm was documented on the final trading day of each calendar year from 2020 to 2024 (split-adjusted "Close" series in HKD, as provided by a prominent financial data provider) to reflect the market's year-end assessment of that operator's value. SJM's stock-price series is therefore represented by its own year-end closing prices. At the same time, the foreign benchmark is defined as the simple arithmetic average of the four foreign operators' year-end closing prices in each year, yielding a composite "foreign group" price level that is directly comparable to SJM's. This ratio-based, scale-adjusted

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approach—complemented by a consistently defined year-end price signal—produces a coherent panel of annual observations (SJM versus the composite foreign group, 2020–2024) that supports cross-company comparison and year-on-year trend analysis, and provides an empirical bridge between profitability, liquidity, and risk on the one hand and the sensing–seizing–reconfiguring dimensions of the dynamic-capabilities framework on the other.

4. Financial analyses

Table 1. Financial performance indicators for SJM Holdings (local operator), 2020–2024

Year Indicator	SJM Holdings (Local)				
	2020	2021	2022	2023	2024
EBIT Margin (%)	-27.50%	-15.70%	−22.9 %	8.60%	12.70%
ROA (%)	-2.20%	-8.30%	−15.6 %	−5.2 %	−1.36 %
Asset Turnover	0.056 ×	0.2 ×	0.138×	0.399 ×	0.432 ×
Net Debt	−8.55 bn	19.23 bn	17.99 bn	16.44 bn	15.73 bn
Times Interest Earned (TIE, x)	Negative	Negative	Negative	2.24 ×	3.29 ×
Accounts Receivable Turnover (x)	18.8 ×	13.9 ×	8.7 ×	17.9 ×	19.0 ×
year-end closing price	8.145	4.921	4.52	2.47	2.66

Table 2. Financial performance indicators for the composite foreign-invested group (revenue-weighted average), 2020–2024

Year Indicator	Foreign-Invested Group (Weighted Avg.)				
	2020	2021	2022	2023	2024
EBIT Margin (%)	−22 %	8.70%	−4.0 %	18.50%	21.50%
ROA (%)	−9.0%	-6.80%	−7.3 %	5.10%	6.80%
Asset Turnover	0.16 ×	0.22 ×	0.150 ×	0.524 ×	0.592 ×
Net Debt	53.6 bn	78,7bn	82.4 bn	71.7bn	67.5 bn
Times Interest Earned (TIE, x)	Negative	1.1×	0.5 ×	13.2 ×	16.0 ×
Accounts Receivable Turnover (x)	16 ×	23.2 ×	20 ×	39.9 ×	43.3 ×
year-end closing price	20.235	17.415	23.7	20.735	17.145

4.1. Profitability analysis

Profitability indicators reveal a pronounced divergence in the pace and depth of post-pandemic recovery between SJM and the Foreign-Invested Group. In 2020, both ownership types recorded severely negative EBIT margins (−27.5% for SJM versus −22.0% for the foreign group), reflecting the collapse of gaming and non-gaming revenues under stringent border controls and operating restrictions. Although conditions remained highly uncertain in 2021, the foreign group's EBIT margin rebounded into positive territory (8.7%), while SJM continued to operate with a double-digit negative margin (−15.7%). This early return to profitability for foreign operators suggests more rapid operating adjustment and a stronger ability to convert the limited demand rebound into earnings. The renewed shock in 2022 led to a decline in margins for both groups. Yet, SJM's EBIT

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margin fell to −22.9%, substantially below the foreign group's −4.0%, indicating that the local operator remained more vulnerable to pandemic-related disruptions.

The reopening phase in 2023–2024 further amplifies these differences. As travel restrictions ease and visitation returns to normal, EBIT margins for both groups turn positive; however, the levels achieved by foreign operators are consistently higher. SJM's EBIT margin improves to 8.6% in 2023 and 12.7% in 2024, whereas the foreign group reaches 18.5% and 21.5% over the same years. This persistent gap implies that, even under broadly similar demand conditions, SJM converts incremental revenue into operating profit less efficiently than its foreign-affiliated peers—consistent with heavier fixed-cost burdens, a less flexible cost structure, or slower re-optimization of the gaming and non-gaming mix.

Asset-based profitability, measured by ROA, draws a stark contrast. In 2020, SJM's ROA (−2.2%) is less harmful than that of the foreign group (−9.0%), likely reflecting differences in the timing and scale of pre-COVID capital expenditures. From 2021 onwards, however, SJM's ROA deteriorates sharply to −8.3% and then to −15.6% in 2022, while the foreign group maintains a comparatively milder loss profile (−6.8% and −7.3% in 2021 and 2022, respectively). After border reopening, foreign operators move decisively into positive ROA, recording 5.1% in 2023 and 6.8% in 2024. By contrast, SJM remains in negative territory throughout the sample window, narrowing its ROA to −5.2% in 2023 and −1.36% in 2024, but never achieving a positive return on assets.

Taken together, the EBIT margin and ROA trajectories indicate that foreign-invested integrated resorts not only restored profitability earlier but also sustained higher and more stable profit levels relative to their asset base. Interpreted through the Dynamic Capabilities lens, these patterns are consistent with stronger "seizing" capabilities among foreign operators: they appear more adept at transforming post-COVID demand normalization into operating and asset-based profitability, whereas SJM's profitability recovery remains slower, more volatile, and structurally weaker over the 2020–2024 period.

4.2. Operating efficiency analysis

Operating efficiency, proxied by accounts receivable turnover and total asset turnover, also exhibits a clear divergence between SJM and the Foreign-Invested Group. In 2020, receivables turnover was high for both (18.8 times for SJM and 16.0 times for the foreign group), mainly reflecting the mechanical effect of compressed credit balances during the revenue collapse. By 2022, however, cash conversion patterns have diverged: SJM's receivables turnover falls to 8.7 times, whereas the foreign group sustains a markedly stronger 20.0 times. Following border reopening, both sides improve, but the gap widens further; by 2024, SJM reaches 19.0 times, while the foreign group achieves 43.3 times. These levels imply that foreign operators moved more quickly to tighten credit terms, rely on cash-based mass-market play and actively manage receivables, thereby establishing a structurally higher degree of working-capital efficiency.

Total asset turnover reinforces this interpretation from a capacity-utilisation perspective. At the trough of the pandemic shock in 2020, SJM generates only 0.056 units of revenue per unit of assets, compared with 0.16 for the foreign group, highlighting the drag from under-utilised integrated-resort capacity. Although asset turnover improves for both ownership types as demand normalises, SJM remains below the foreign benchmark in every year. By 2024, SJM' s asset turnover is expected to rise to 0.432. In contrast, the foreign group reaches 0.592, indicating that foreign-affiliated integrated resorts manage to channel a larger share of returning demand through the existing asset base—for example, via higher room occupancy, more intensive table utilisation, and faster reactivation of non-gaming amenities.

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Overall, the trajectories of receivables and asset turnover suggest that the Foreign-Invested Group possesses stronger operating "sensing" capabilities in the post-COVID environment, transforming recovering demand into faster cash recovery and superior utilisation of invested capital. At the same time, SJM, despite visible improvement after 2022, remains structurally less efficient over the 2020–2024 window.

4.3. Financial structure analysis

Financial structure indicators—Times Interest Earned (TIE) and Net Debt—reveal a persistent asymmetry in balance sheet repair and risk exposure between SJM and the Foreign-Invested Group. In 2020, both sides recorded negative TIE, indicating that EBIT was insufficient to cover interest expense under the initial pandemic shock. By 2021, trajectories begin to diverge: SJM‘s TIE remains profoundly negative at –4.6, whereas the foreign group recovers to a positive coverage of 1.1 times, regaining at least a minimal ability to service debt from operating earnings.

The renewed disruption in 2022 again depresses coverage ratios. SJM's TIE remains negative (EBIT below interest costs). At the same time, the foreign group records a still-low but positive 0.5 times, implying that although both ownership types remain financially stressed, foreign operators retain a modest earnings buffer that SJM does not.

Post-reopening developments in 2023-2024 accentuate this divergence. SJM's TIE turns positive only in 2023, at 2.24 times, and rises to 3.29 times in 2024; over the same period, the foreign group attains much stronger coverage of 13.2 times and 16.0 times, respectively.

These double-digit foreign TIE values are consistent with a robust and resilient earnings-to-interest profile. In contrast, SJM's low single-digit coverage suggests that its debt-servicing capacity remains vulnerable to relatively small earnings shocks.

Net debt dynamics provide complementary evidence on leverage and liquidity buffers. In 2020, SJM entered the crisis with a net cash position of –HKD 8.55 billion, while the foreign group already carries HKD 53.6 billion in net debt, reflecting a more highly leveraged but larger-scale capital structure.

By 2021, SJM's position reverses sharply: net debt jumps to HKD 19.23 billion, indicating substantial drawdowns of cash and increased borrowing to bridge cash-flow shortfalls; the foreign group's net debt also rises, to HKD 78.7 billion, as it continues to fund operating losses and pre-committed investments through debt.

In 2022, both remain heavily indebted, with SJM at HKD 17.99 billion and the foreign group peaking at HKD 82.4 billion, indicating that prolonged restrictions have delayed any meaningful deleveraging.

Balance-sheet repair becomes visible only once border measures are relaxed. In 2023, SJM's net debt declined to HKD 16.44 billion, while the foreign group's net debt increased to HKD 71.7 billion. By 2024, these figures are expected to fall further to HKD 15.73 billion and HKD 67.5 billion, respectively.

The downward trend for both ownership types suggests that recovering operating cash flows are being increasingly used to stabilise or reduce leverage.

Taken together, the TIE and net-debt trajectories suggest qualitatively different reconfiguration paths. In absolute terms, the foreign group carries substantially higher net debt throughout 2020–2024; however, this leverage is progressively offset by stronger profitability and significantly higher interest coverage, rendering the debt stock more comfortably serviceable relative to post-COVID cash-generation capacity. By contrast, SJM shifts from a net-cash position in 2020 into a structurally indebted stance from 2021 onwards, while its ROA remains negative through 2024 and its TIE

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improves only to low single-digit levels. The interplay of increasing leverage, postponed recovery in profitability, and limited interest-coverage buffers suggests a diminished liquidity cushion and a more constrained solvency margin for the local operator. When viewed through the lens of Dynamic Capabilities, the findings align with the notion that foreign-affiliated integrated resorts demonstrate superior reconfiguring capabilities—characterized by swifter and more decisive adjustments to balance sheets and capital structures—compared to SJM. This provides empirical validation for Hypothesis H3 within the period from 2020 to 2024.

5. Stock-price

Year-end stock prices provide a market-based perspective that largely corroborates the accounting evidence on asymmetric post-pandemic recovery. SJM' s share price declines almost monotonically over the sample period, falling from HKD 8.145 at the end of 2020 to HKD 4.921 in 2021 and HKD 4.52 in 2022, before dropping further to HKD 2.47 in 2023 and only marginally rebounding to HKD 2.66 in 2024. By the end of the window, SJM trades at roughly one-third of its 2020 level, indicating that investors have not yet fully restored pre-pandemic confidence, despite the normalization of visitation and a visible improvement in some operating ratios.

The composite Foreign-Invested Group exhibits a different, more cyclical pattern. Its average year-end price decreases from HKD 20.235 in 2020 to HKD 17.415 in 2021, but then rises to HKD 23.7 in 2022—exceeding the 2020 benchmark—before easing back to HKD 20.735 in 2023 and HKD 17.145 in 2024. Between 2020 and 2024, the foreign group's price path fluctuates within a relatively narrow band, ranging from HKD 17 to 24, without the persistent downward drift observed for SJM. In absolute terms, the valuation gap widens substantially: SJM' s year-end price is about 40% of the foreign average in 2020, but falls to roughly 15% by 2024.

Interpreted alongside the profitability and financial-structure results, these price dynamics suggest that equity investors systematically discount SJM relative to its foreign-affiliated peers. The foreign group's higher and more resilient valuation is consistent with the stronger EBIT margins, positive ROA from 2023 onwards, and double-digit interest-coverage ratios documented in Sections 5.1–5.3. In contrast, SJM' s depressed and only weakly recovering price trajectory mirrors its slower earnings recovery, persistent negative ROA, and thinner interest-coverage buffers. In Dynamic Capabilities terms, the market appears to assign a premium to operators perceived as having superior sensing, seizing, and reconfiguring capabilities, while also offering a persistent risk discount to the local incumbent whose post-COVID financial trajectory remains structurally weaker.

6. Discussion on managerial implications

The empirical results reveal a coherent pattern across profitability, operating efficiency, financial structure, and market valuation: the composite foreign-invested group consistently outperforms the local operator SJM in terms of the speed, depth, and stability of its post-pandemic recovery. Foreign operators restored positive EBIT margins and ROA earlier and at higher levels, achieved stronger improvements in receivables and asset turnover, rebuilt interest-coverage buffers more decisively, and maintained substantially higher year-end share prices. SJM, by contrast, enters the period with a comparatively conservative balance sheet but moves into a structurally leveraged position from 2021 onward, while ROA remains negative through 2024 and the equity price declines to around one-third of its 2020 level. Taken together, the evidence broadly supports Hypotheses 1–3.

Viewed through the lens of Dynamic Capabilities, these outcomes suggest asymmetries in sensing, seizing, and reconfiguring capabilities. Higher and more rapidly recovering receivables and

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asset turnover indicate that foreign operators sensed and operationalised the demand rebound more effectively, tightening credit policies and utilising existing resort capacity with greater intensity. Superior EBIT margin and ROA trajectories point to stronger seizing capabilities, as foreign operators were better able to redesign product and customer portfolios, extract yield from mass and premium-mass segments, and adjust operating costs. The progression of TIE and net debt underscores a transformation: beginning from a more leveraged state, foreign companies successfully restore strong interest coverage and initiate deleveraging as revenues stabilize, while SJM shifts from a net cash position to a sustained net debt scenario with merely modest coverage. Equity investors appear to recognise these capability differences, assigning a persistent valuation premium to the foreign group.

For managers at SJM and similar local operators, the findings underscore that relying solely on the cyclical recovery of visitation is insufficient. Strengthening dynamic capabilities should become a central strategic priority. From an operational perspective, this necessitates investment in revenue management driven by data, hastening the transition towards robust, high-margin mass and non-gaming endeavors, and restructuring costs to enhance flexibility throughout the economic cycle. Financially, it is essential to rebuild interest-coverage buffers, extend the maturities of debt, and establish a credible path for deleveraging, as these measures are vital for reducing the perceived risk differential compared to international counterparts and for reinstating investor confidence.

For foreign-invested operators, current advantages are meaningful but not immutable. Maintaining superior capabilities will require continuous innovation in customer analytics, product development, and organisational agility, while avoiding renewed over-reliance on leverage as cash flows strengthen. For policymakers, the uneven nature of recovery prompts inquiries into how the design of concessions, regulatory frameworks, and diversification strategies can bolster overall system resilience while avoiding the inadvertent reinforcement of structural disadvantages faced by local incumbents. More broadly, the Macau case illustrates that ownership structure perse is less decisive than the ability to dynamically sense, seize, and reconfigure in response to severe exogenous shocks.

7. Conclusion

This study examined the relationship between ownership structure and post-pandemic financial recovery in Macau's integrated resort sector by comparing the local incumbent, SJM, with a composite group of foreign-invested operators from 2020 to 2024. Using hand-collected annual report data, six standardised financial ratios and year-end stock prices were constructed, forming a panel for comparing profitability, efficiency, financial structure, and market valuation. The analysis was framed by a Dynamic Capabilities perspective, mapping profitability, liquidity, and risk indicators onto sensing, seizing, and reconfiguring processes.

The empirical evidence reveals a consistent asymmetry. Relative to SJM, the foreign-invested group restored EBIT margins and ROA at an earlier stage and to higher levels, achieved stronger improvements in receivables and asset turnover, rebuilt interest-coverage buffers more decisively, and maintained higher year-end share prices. These results support the proposed hypotheses and suggest that differences in dynamic capabilities, rather than demand conditions alone, shape post-crisis financial trajectories in Macau's integrated resorts.

The study contributes by linking a firm-level Dynamic Capabilities framework with a ratio-based comparison of local and foreign operators in a shock-prone tourism hub, adding evidence on ownership, resilience, and financial risk. The analysis is constrained by its small sample, reliance on publicly reported accounting and price data, and the absence of direct organisational measures of capability. Future research could extend the time window, incorporate additional operators, and combine financial indicators with qualitative or survey-based evidence to further unpack the mechanisms behind differential recovery.

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