

### **Outstanding performance of LUX\* Resorts & Hotels: turnover of more than Rs 4 billion and profits of Rs 271 million, i.e. double those of last year**

*“Our continued efforts in the last two years have been rewarded. Our commitment to the search for new markets, the growth of our brand outside of Mauritius, namely in China and the United Arab Emirates, regular training, innovation and resource optimisation have contributed to such a performance. I wish to say a big Thank You to all in the LUX\* family!”* Paul Jones, CEO.

LUX\* Resorts & Hotels, 29 September 2014. LUX\* Resorts & Hotels has today published its annual report for the year ending 30 June 2014. The Group's profits have more than doubled, from Rs 103,324 million in 2012-2013 to Rs 271,262 million this year.

At 30 June 2014, the Group has achieved a turnover of more than Rs 4 billion. *“This exceptional performance is the result of our hard work and winning strategies”*, says Paul Jones, CEO of the LUX\* Resorts & Hotels. Indeed, the Group has increased its presence in China with a new office in Shanghai and the inauguration of a hotel in Lijiang, the first in a series of boutique-hotels which will be opened along the ‘Tea Horse Road’. Furthermore, the opening soon of LUX\* Al Zorah, in Ajmaan, United Arab Emirates, shows the determination of the Group to be present in other markets and to specialise in luxury hotels.

Paul Jones says he is pleased with the LUX\* Group's performance. *“Despite the difficulties faced by the hotel industry in some markets and the continuing growth in the number of hotel rooms available in Mauritius – something which is not compensated by a concomitant increase in the number of tourist arrivals –, we have been able to double up our profits. This has been made possible by our international strategy and our determined efforts to attract clients. We would not have been able to achieve all this without the unflinching support of our Board and all the staff, who I thank most heartily.”*

LUX\* Resorts & Hotels announce that Earnings before Interest Tax Depreciation and Amortisation (EBITDA) stand at Rs 917 million at 30 June 2014, or a growth of 18% compared to the same period last year. At the end of the financial year, room occupancy was 72%, representing an increase of 4% compared to the corresponding period in 2013. The Average Daily Rate (ADR) has increased by 7%. This growth has led to an increase of Room Revenue per Available Room (REV PAR) of 12%.

Total revenue for 2013-2014 has reached Rs 4,2 billion, a growth of 12% compared to the same period last year. Operating Profit has increased from Rs 461 million to Rs 589 million, i.e. a rise of 28%. The Group has generated Rs 618 million, which represents a growth of 26 % over the corresponding period last year. There has also been a reduction of financial costs from Rs 303 million in 2013 to Rs 259 million at 30 June 2014. The Group points out that real interest rate this year is around 5%. It was 7% in 2013.

For the first time since its launch, the Tamassa Hotel, an associate partner in the consolidated accounts of LUX\* Island Resorts Ltd, has achieved positive results. LUX\* will collect Rs 263,000 against a loss last year of Rs 12 million.

Total debts excluding banks' overdrafts amount to 4.4 billion, compared to Rs 5 billion last year. This equates to a net reduction of Rs 600 million. The gearing for the LUX\* Group has dropped from 57% in 2013 to 50% this year as a result of loan reimbursements and the revaluation surplus seen as equity.

LUX\* points out that the debt ratio could be further reduced to 42% if Convertible Bonds are exchanged for equity. Provisions for interest payments (EBITDA/ finance charges) amounting to 2.5 last year have significantly improved this year to a healthy 3.5 ratio.

Thanking the leadership team of LUX\* for the wonderful job, in particular its CEO Paul Jones, Arnaud Lagesse, Chairman of the Board of LUX\* Resorts & Hotels, says : *“These results highlight the strength of our business model and the commitment of our teams to ensure that LUX\* is a world leader. I am proud of our penetration of the Chinese market and soon we’ll be in Ajmaan, United Arab Emirates. We have to pursue along this road with rigour and discipline without losing sight of our values and vision in the long term. I congratulate Paul Jones for this exceptional performance.”*

In the last 3 years, LUX\* Resorts & Hotels has invested Rs 493 million in the renovation of LUX\* Belle Mare, the Group’s flagship. This investment amounts to an average of Rs 2.65 million per room. The new-look LUX\* Belle Mare opened for business on 1 September 2014 after renovation works lasting two months.

## **Expansion overseas**

September also saw the opening of LUX\* Lijiang (on 9 September), the first hotel of the Group in China. The Group’s presence in China thus offers clients a window on one of the wonders of China, the “Tea Horse Road”. This is the first in a series of luxury hotels which will be inaugurated along this mythical route with Phase 2 of LUX\* Lijiang as well as a second one in Benzilan which is planned for 2015.

The LUX\* Group intends to expand its operations in China. On top of its four sales offices in the most popular towns in China, the Group will open a ‘wholly-owned foreign enterprise’ with its head office located in Shanghai.

The construction of the LUX\* Al Zorah in the United Arab Emirates is progressing at a fast pace. Its opening is expected in 2016.

Nearby, in Reunion Island, LUX\* Resorts & Hotels works in close collaboration with the French government to diversify its tourist offerings with a strategy which seeks to exploit the potential of the vast Chinese market. With regard to the sales of Le Récif Hotel, negotiations are going on with potential buyers.

## **Economic prospects**

The international economic environment is improving and LUX\* remains optimistic about a growth of tourism in the world. Locally, tourist arrivals from Europe have increased by 12.8% in August, which LUX\* deems is satisfactory. France remains the leader in terms of tourist arrivals which have increased to 11% last August. Arrivals from the United Kingdom and Germany have also increased, from 20% and 18% respectively during the same period.

Speaking about government policies for the tourism industry, Paul Jones says: *“This industry is vital for the country. We are at a crossroad and it is imperative today that the Mauritian government helps us by reviewing air access and also the image and positioning of our island. We have to ensure that Mauritius becomes ‘The PLACE TO BE’ in the Indian Ocean. The growth of the tourist industry depends upon it.”*

LUX\* Resorts & Hotels is a chain of luxury, top of the range hotels which have been created to inspire, surprise and enchant its residents invited to celebrate life on the islands and to savour it at leisure. The LUX\* Group consists of LUX\* Belle Mare, LUX\* Le Morne et LUX\* Grand Gaube, all three located in Mauritius; LUX\* Maldives, LUX\* Île de la Réunion, LUX\* Lijiang in China and soon LUX\* Al Zorah, UAE.

Every little detail is important at LUX\*. Everything is done to turn the ordinary into the extraordinary during a guest’s stay where she/he can boost up their energy level. All the LUX\* hotels bank upon sobriety, freedom and spontaneity rather than the routine, the formal and the traditional and offer tourists something which departs from the legendary holiday on a tropical island through an emphasis on what is fresh, light and full of colours.

– ENDS –

For more information: Leroy Samy Blast Communications, Cnr Mgr. Conin & d’Estaing Streets, Port-Louis, Mauritius, Email: [Leroy@blast.mu](mailto:Leroy@blast.mu) or [valerie@blast.mu](mailto:valerie@blast.mu), Tel: 213 1888, or find out more on our [media centre](#)

---

LUX\* Resorts & Hotels is a collection of premium resorts & hotels promising a differentiated approach to luxury, that is spontaneous and authentic. The resorts and hotels are conceived to Inspire, Surprise & Delight guests, by offering a distinctive and imaginative lifestyle vacation experience, where guests can celebrate life and enjoy light living.

The resorts and hotels in the LUX\* portfolio are LUX\* Belle Mare, Mauritius; LUX\* Le Morne, Mauritius; LUX\* Grand Gaube, Mauritius; LUX\* Maldives, LUX\* Ile de la Réunion, LUX\* Lijiang China and soon LUX\* Al Zorah, UAE.

LUX\* Resorts & Hotels are places where each moment matters. It’s where the ordinary is done extraordinarily. It’s a rest from which you return, both invigorated and inspired. Clear rather than cluttered, free rather than formal, spontaneous rather than predictable, LUX\* Resorts & Hotels are simpler and fresher, lightening, brightening and heightening the resorts & hotels concept.

LUX\* Resorts & Hotels is a member of LUX\* Island Resorts Co Ltd, which is listed on the Stock Exchange of Mauritius and is an affiliate member of GML (Groupe Mon Loisir), a major economic player in the Indian Ocean, leader of the “Top 100” Mauritian companies. GML is active in key sectors of the Mauritian economy, representing a portfolio of approximately 300 subsidiaries and associated companies.