

# Villa Ronai First Phase Nears Completion

Pulse Investments Ltd is now completing the First Phase of its Villa Ronai Destination Spa project, with commencement of operations scheduled for around year end. This construction phase included extensive refurbishing, enhancement and re-finishing of approximately 30,000 square feet of building and is being undertaken at a cost of approximately \$145 million. During the company's recently ended financial year (July 1, 2008 to June 30, 2009), \$112 million was expended on the project.

The First Phase consists of buildings for a spa, three restaurants, a lounge, gift shop, boutique and 7 suites, along with the enhancement of the gardens, water systems and other aesthetics currently at Villa Ronai. The Second Phase, scheduled for completion in late 2011, will see the addition of 38 suites, making the facility a true Destination Spa, one more focused on the international marketplace. The First Phase will cater mostly to the local market, but will also look to international business as well.

Pulse believes that the essence of Villa Ronai is the unique beauty of the property with its exotic plant life, topography, art filled gardens and rain forest like lushness in the 9 acre valley. Its tranquility and almost surrealness, lends itself to mental, physical and spiritual rejuvenation, the sort of holistic experience, now so popular with tourists. This hill top retreat, eco trails, spa treatments and closeness to nature, represents the fastest growing brand of tourism worldwide.

Accordingly, Pulse has been careful to develop the property in such a manner as to maintain and enhance the aesthetics of Villa Ronai, so meticulously created by three generations of the Ronai family who first came here from Hungary in the 1940s. Arpad Ronai became the Belgian Consul General for Jamaica, while his wife Anna, along with her mother and daughter created the property and catered to thousands of tourists who came to Kingston on cruise ships in the 1950s and 1960s, courtesy of Martin's Tours.

Pulse will now select operators for the First Phase, with the exception of the suites, which it will manage itself. Three year renewable leases are being offered for the spa, restaurants, lounge, gift shop and boutique. Operators will be chosen on the basis of their ability to maintain the quality of the Ronai product, provide excellent service and to share in the vision of Ronai as a world class facility combining "exquisite style with timeless beauty", a slogan Pulse uses to reflect the property's essence.

The Ronai development was funded by proceeds of the rights issue successfully floated by Pulse last year, as well as related party funds and internally generated cash. Despite the recession that gripped the world during the past year and the many challenges it presented the company's regular business, Pulse nevertheless took a decision to focus on the development of Villa Ronai, which has lain essentially dormant since the mid 1990s. Ronai would therefore be ready to go forward when the recession eases. There are signs that the economic recovery has now commenced in the major markets, so it is not unreasonable to expect that international tourism will respond favourably to a project such as the Villa Ronai Destination Spa, on completion in 2011, by which time world tourism's rebound is forecasted to be in full effect.