

July 18, 2019

Dear Fellow Shareholders,

We are giving you a follow through since our March report about BHI's budding property business.

Foreign Locator. BHI is entertaining in behalf of Puerto Azul a firm counter offer from a Japanese-Hong Kong developer to acquire or participate in some way in development of a large parcel of land next to the soon-to-be-opened Zamora Ocean Course. Most of the target market will be for medium cost Japanese retirees and airline crew. The foreign entity is one of the few successful Japanese-Hong Kong developers to venture abroad in most of the high end Asian capitals, putting up high rises, shopping malls, super premium residential villas and office towers. Its affiliate is also part of the Hang Seng Index.

We have gone over with them some 2 months of due diligence. Most of their conditions are acceptable save the additional due diligence time, if any required, and the higher amount BHI might request --to be determined at its board meet on July 29, 2019. Let's see.

Private Company RPPPI. Our local private partner, Revolution, is slightly delayed from their end June launch because they revised the densities for the 500 to 700 unit condotel, residential, villa mixed use township, located on half the beach of BHI's property. We are pushing them to complete their launch and pre-selling within August. We learned they are now projecting some 1.9 billion in sales for selling 28 to 35 square meter units. BHI's share would be 15% of this after VAT, before income taxes over a 4-5 year period. All they need now is to come to terms with the best contractor to start this. Will report to you in mid August, where we are.

We can say that BHI might finally benefit from the "Duterte bonanza" with more foreign investors in town and the Sangley Airport soon to be developed. Thanks for looking at this update.



J. Marcel Panlilio
Chairman & CEO