



THE MARKET

Piping systems are the arteries and veins of big business, conveying vital lifeblood like water, oil, gas, chemicals and other liquids from one point to another.

The Philippine piping industry – even with only a few dozen professional corporations – is fiercely competitive, but because of its superior product lines, a strong distribution network and a sterling reputation in the construction business, Mega System Enterprises has been one of the major players in this market for many years.

Mega System Enterprises presently caters to the commercial, industrial and institutional needs of Filipinos and is the piping system of choice of both the private and public sector. The firm is actively engaged in serving homes, office corporate buildings and industrial plants.

In 2006, the Super Brands Council recognized Mega System Enterprises for its pioneering role in introducing high-quality products geared especially for Filipinos and for developing the local piping industry through world-class standards that have put the Philippines at par with the rest of the world, especially where water systems are concerned. Mega System Enterprises has also established a sterling reputation for giving Filipino consumers the best value for money.

ACHIEVEMENTS

Although it caters to a highly-specialized market, Mega System Enterprises has gained national acclaim from the prestigious Philippine Marketing

Association (PMA) which awarded it with the coveted PMA Award of Excellence in 2006.

Within the construction industry, Mega System Enterprises has cultivated and maintained an impeccable reputation for quality and dependability and technical support as well as industry-wide acclaim for its products as being among the safest and environment-friendly. The product lines boast of world class quality, meet international standards and are recipients of numerous awards in piping in the world and recipients of several international awards from construction suppliers and consumer groups.

In 2006, the Superbrands Council awarded Mega System Enterprises with the prestigious Superbrand status.

HISTORY

Mega System Enterprises traces its roots back to 1974 to Solidtone Enterprises, which was founded by entrepreneur Jimmy Chua as a distributor of high-quality hardware products tools such as Smart and Toho. In 1996, Antonio and Vicente Chua, the younger brothers of the founder, diversified into DIY market by establishing Mega System Enterprises as a professionally-run corporation offering best quality products at a reasonable price for the Philippine construction industry. From the outset, the company's mission was to develop and revolutionize

the local piping industry by bringing in the latest technology and offering them at an economical price to Filipino consumers.

During the early 90's, piping products made of galvanized iron were still the norm. Mega System Enterprises introduced the state-of-the-art PPRC (polypropylene random copolymer type 3) pipes through several key product lines that the company imported from leading manufacturers in some European countries.

Propelled by a strategic marketing and distribution effort, the products of Mega System

Enterprises were widely accepted and became the first choice of leading construction companies, architects, designers, and real estate developers. Among its major clients are the giant SM department store chain, specifically the huge SM Mall of Asia and SM Clark, as well as several high-profile commercial and industrial projects, corporate offices as well as the residences (and yachts) of prominent individuals from the world of business and government. Among its most prestigious projects are GA Tower in Mandaluyong City, Swire Elan Suites in Greenhills, Cardinal Santos Hospital in Greenhills, SM Baguio, Oriental Gardens in Makati, Antel Global Corporate Center in Ortigas Center Pasig, Fairways and Bluewaters Resort in Boracay, Hyatt Hotel and Casino in Malate and Hobbies of Asia in Pasay City.

While operations were initially based in Metropolitan Manila and nearby areas, the company expanded its reach to the countryside, particularly to the bustling metropolises of Cebu and Davao where it now dominates the market.

THE PRODUCT

The Vesbo Hot and Cold Water Piping System, is the best buy for its durability. A recipient of the highly-coveted ISO 9002 certification, the product is a Superbrand in every sense of the word. It represents the very latest in piping technology used worldwide and boasts of pipes that are safe (non-toxic, non-carcinogenic) and highly resistant to acid and chloride. Produced from the highest form of plastic (Vestolen PP Random Polymer Type 3), the Vesbo system is totally rust- and rupture-free.

Beyond its safety features, the Vesbo system is an economical buy and reputed to be durable enough to outlast most buildings. It is also easy to install (in four easy steps) and practical since a single pipe can be used for both hot and cold water. The Vesbo system can withstand high temperatures of up to 70° to 90° Celsius.



Think your water is safe?

Your pipes might not be.



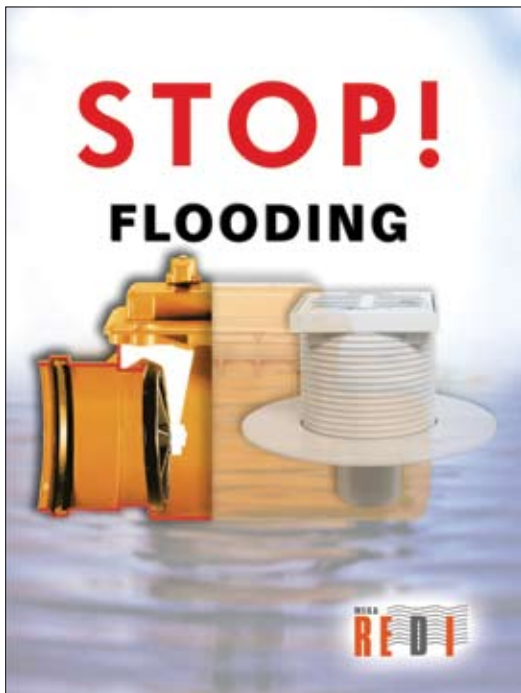




VESBO®

Absolutely safe and leakproof pipes.

The Mechanical Engineering Power Laboratory of the University of the Philippines recently tested the Vesbo hot and cold water piping system and the results were impressive. The tests found that the Vesbo system had a bursting strength of 1800 psi (122.45 bars), which is strong enough to meet even the most rigorous requirements of heavy industries.



At present, the Vesbo hot and cold water piping system is the preferred choice of developers, architects, contractors, plumbers and homeowners.

In addition, Mega System Enterprises boasts of the following key products:

The Mega Valsir PEHD Drainage & Sanitary Piping System leads to significant benefits in comparison to PVC, cast iron and traditional materials. PEHD is more flexible than other materials and has higher impact resistance to extremely hot or cold temperatures and waste water from dishwashers and washing machines. PEHD also has a smoother surface, which means it is more resistant to waste buildup and to scaling and abrasion as well as to detergents, harsh chemicals and even radioactive water. In addition, PEHD pipes are weatherproof and coated in a sleek black pigment that prevents photo oxidation caused by UV rays. The Mega Valsir PEHD Drainage & Sanitary Piping System, a recipient of the ISO 9001/2000 certification, can be used both indoors and outdoors and has a product life of 50 years.

The Mega Green Thermo Plus PPR-C Type 3 is the product of advanced German technology and is absolutely safe and leak-proof. It makes use of a new thermo resin from Europe which enables the pipes to withstand higher pressure and temperatures better than any other ordinary cold PPR pipes available in the market today. This advanced technology ensures a longer life span for pipes and improved quality and performance.

The Mega Redi Anti-Flooding System is perhaps the best solution to flooding problems available in the market today. The system provides a simple and effective way to eliminate flood risk by creating a “backflow” through main drainage channels. It is ideal for low-lying coastal, lake or valley areas, especially where rainwater is channeled downstream, a main cause of flash-floods due to heavy rainfall. The Mega Anti-Flooding System is the preferred

choice of commercial and industrial installations where “non-pressure” (flow control) is required, such as in fishing and farming operations, or where dependable PVC performance is required, such as in salt water operations. It is also widely-used when new dwellings or facilities are connected to existing sewage systems as well as for private discharge systems that are channeled to public sewers equipped with pumping stations.

RECENT DEVELOPMENTS

In 2006, Mega System Enterprises launched the Aquatech Syphonic Roof Draining System which has, in a short time, already made an impact in the local construction industry. Undertaken in partnership with Aquatech and Valsir of Italy, the Aquatech Syphonic Roof Draining System uses the latest technology from Australia. There’s nothing like it in the market today and is a vast improvement over the conventional syphonic roof draining systems that are available in the local market. The Aquatech Syphonic Roof Draining System is ideal for industrial use, particularly where large structures such as malls and skyscrapers are concerned.

The company also plans to introduce the Rohrflex Cold Water Piping System in the near future as an economical and cost-effective buy which is ideal for low-end housing projects and other low-budgeted construction endeavors.



PROMOTION

Since Mega Systems Enterprises serves a highly-specialized market, its promotions efforts are mainly through specific media outlets that cater exclusively to this prospective client base, particularly architectural and construction magazines and publications.

The company is also a regular fixture in the industry’s leading construction shows in the Philippines and throughout Asia, including the prestigious World BEX (Builders Exhibit), the most popular gathering of construction suppliers in the region.

Mega System Enterprises has also allied itself with key distribution outlets such as MC Home Depot, Wilcon Builders and Ace Hardware.

In the construction industry, the most effective promotions is still by word of mouth. In this regard



and because of its unparalleled reputation for quality and reliability, Mega System Enterprises is the most endorsed name in piping products among knowledgeable architects and developers.

BRAND VALUES

One can point to the company’s dedication to providing only the very best possible products in the market or its efforts to constantly improve the conduct of business in the piping industry as the secrets to its successful operation. However, the Chua family that owns and operates Mega System Enterprises believes that at the core of its success is the fact that it has established a trusted name within the construction industry, where competition is fierce and even cut-throat at times.

From the outset, the company has strived to provide excellent “value for money” by giving its customers a roster of products that are recognized and accepted worldwide. Through the years, the company has established a reputation for going the extra mile in sourcing cutting-edge piping systems and fixtures as well as in educating the market about the advantages of these products.

THINGS YOU DIDN’T KNOW ABOUT MEGA SYSTEM

- Mega System Enterprises is the pioneer in introducing the state-of-the-art PPRC (polypropylene random copolymer type 3) pipes, which have now become the norm in the Philippines. They started by introducing several key product lines from leading manufacturers in Germany, Italy and Turkey.
- All the product lines of Mega System Enterprises are made from 100% virgin raw materials unlike many of its competitors who use recycled materials which are of inferior quality.
- Mega System Enterprises is the only piping company that is recognized and accredited by the two largest construction groups in the Philippines concerned with the piping industry – the National Master Plumbers Association of the Philippines and the Philippine Society of Sanitary Engineers.
- The brand name “Vesbo” is derived from the German word “vestolen” which is a high-quality plastic raw material and “bo” which is the German word for “pipe”.