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**NIBONG TEBAL (Sept 1):** MWE Holdings Bhd's wholly-owned subsidiary United Sweethearts Garment Sdn Bhd (USG) expects to contribute about US\$40 million (RM166.8 million) to the group's revenue beginning in the next financial year ending March 31, 2017 upon the completion of its expansion plan in Vietnam.

The number of production lines would increase by an additional 42 from 26 currently in Dong Nai Province, southern Vietnam.

Speaking to the press after the company's annual general meeting, USG managing director Tang Chong Chin noted that with the expansion on production line, the subsidiary targets a 60% revenue growth next year.

"With the increase in production lines in our Vietnam plant (United Sweethearts Garment (Vietnam) Co Ltd), our total lines amount to 100 including 32 in Malaysia.

"We would be able to cater to higher demand in the US and Europe markets. We hope to increase our market share in Europe with the additional production lines," he said, adding that its capital expenditure amounted to US\$6 million (RM25.06 million).

Tang said the plant expansion of its Vietnam unit, established in 2002, would be completed mid next year, hence the revenue contribution expectation in its 2017 financial year.

He added that the garments manufacturing sector contributes about 70% to MWE Holdings' revenue while the rest was derived from its telecommunication segment.

In its first quarter ended June 30, 2015 (1QFY16), the group recorded a net profit of RM6.75 million, or 2.93 sen per share on revenue of RM84.8 million.

MWE Holdings (fundamental: 0.65; valuation: 2) closed unchanged at RM1.20, giving it a market

capitalisation of RM276.3 million.

*(Note: The Edge Research's fundamental score reflects a company's profitability and balance sheet strength, calculated based on historical numbers. The valuation score determines if a stock is attractively valued or not, also based on historical numbers. A score of 3 suggests strong fundamentals and attractive valuations.)*

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