

Daily Bulletin

June 16, 2026

Service Equipment Co. secures a SAR 3.7 mn equipment supply order from Green Drive Arabia

Last Price: SAR 24.4 | YoY Performance: -60.8%

Service Equipment Co. (Service Equipment) has announced the receipt of a purchase order from Green Drive Arabia Company valued at SAR 3.7 mn (including VAT). The order covers the supply of machinery and equipment to automotive maintenance centers across six locations in the Kingdom, namely Riyadh, Qassim, Tabuk, Najran, Madinah, and Al-Ahsa. The supply term runs from 15 June 2026 through 31 August 2026, a window of roughly two and a half months, with the financial impact expected to be reflected in the Company's annual financial statements for 2026.

The order value represents 5.3% of Service Equipment's total gross sales for 2025, which came in at SAR 69.9 mn, down 13.8% YoY from 2024.

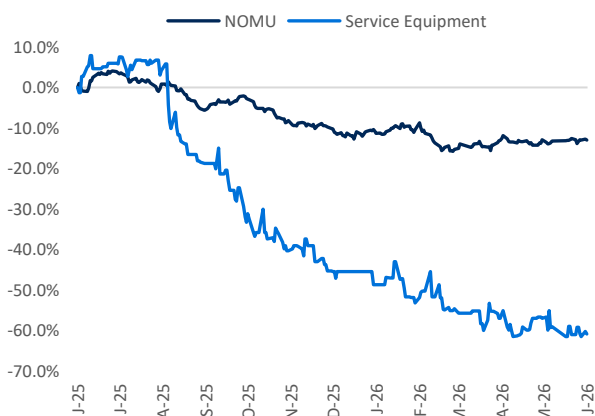
At Service Equipment's 2025 gross margin of 44.5%, the order value of SAR 3.7 mn would produce approximately SAR 1.6 mn of incremental gross profit. Further, at Service Equipment's 2025 net margin of 11.9%, the order value would translate into approximately SAR 0.4 mn of incremental net earnings.

Service Equipment divides its revenue into two segments: product sales and maintenance services. In 2025, product sales recorded SAR 68.1 mn in gross revenue (97.3% of the SAR 69.9 mn gross total revenue), down 13.4% YoY, while maintenance services' gross revenue came in at SAR 1.9 mn in 2025, down 26.6% YoY, making 2.7% of total gross revenues. The order from Green Drive Arabia is likely to contribute to the product sales segment, equalling 5.4% of the segment's gross sales for 2025.

The order builds on a recent run of commercial activity at Service Equipment. On 22nd April 2026, the company announced the signing of a non-exclusive distribution agreement with Hunter Engineering Company. Under this agreement, Service Equipment obtained distribution rights for the products of Hunter Engineering Company within the Kingdom of Saudi Arabia.

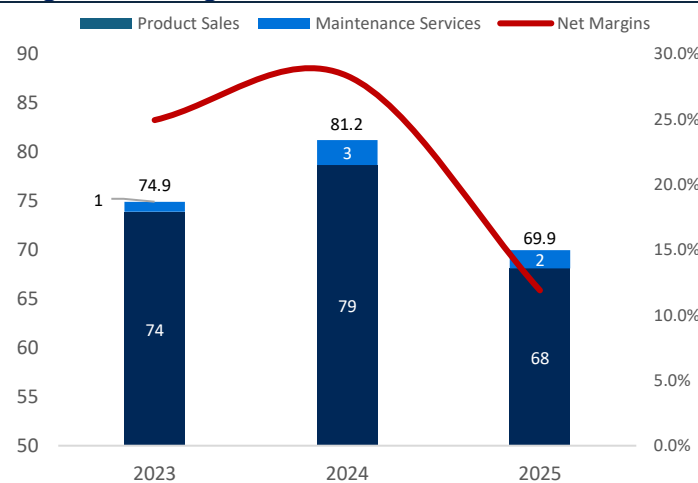
Service Equipment's stock price has fallen 60.8% YoY as of yesterday's close, significantly underperforming NOMU, which is down 13.0% over the same period.

Relative price chart



Source: Tadawul, anbc research

Segment-wise gross sales



Source: Company financials, anbc research

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