

Market Data

Alliance Entertainment Holdings Nasdaq: AENT

Fiscal Year	June 30
Price	\$6.38
52-week Range	\$2.21-8.80
Market Cap	\$325.1M
Shares Out.	50.96M
Float	3.02M
Avg. Vol (90-day)	60,160
Revenue (ttm)	\$1,063M
Gross Margin (1H26)	13.5%
Net Income (ttm)	\$22.0M
Adj. EBITDA (ttm)	\$47.7M
EPS (ttm)	\$0.43

Price & share data as of February 12, 2026

alent.com

Company Overview

Alliance Entertainment is a leading distributor, logistics provider, and omnichannel fulfillment partner to the global entertainment and collectibles market, supplying more than 340,000 in-stock SKUs to over 35,000 retail storefronts and 175+ e-commerce platforms. Generating over \$1 billion revenue annually, Alliance operates a capital-light, automation-driven infrastructure that ships more than 50 million units annually and powers its Consumer Direct Fulfillment model, which now represents roughly one-third of gross revenue. The company has strengthened its competitive position through exclusive studio partnerships, including Paramount Pictures and Amazon MGM Studios, expansion of higher-margin owned brands such as Handmade by Robots™, and the recent launch of Endstate Authentic and Alliance Authentic™, extending its platform into authenticated collectibles and digital product identity. Alliance is positioned at the intersection of physical media, collectibles, and technology-enabled lifecycle monetization, supported by a structurally improved margin profile and an expanding mix of exclusive, premium, and owned content.

Value Proposition

Over the past year, Alliance has executed a structural reset of its earnings model. Gross margins expanded to 13.5% in the first half of FY26, while adjusted EBITDA margins reached approximately 5%. Importantly, this margin expansion is structural — driven by deliberate mix improvement, premium physical media growth, and operating leverage embedded in Alliance's automation-driven infrastructure. The business is generating meaningfully higher earnings on a stable revenue base, creating meaningful earnings leverage as premium content scales.

At the core of the strategy is a simple but compelling thesis: physical media has evolved into a collectible category. In Q2 FY26, physical movie revenue increased 33% year-over-year, driven by premium formats such as 4K Ultra HD and collectible SteelBook editions. These are not substitute purchases for streaming; they are enthusiast-driven acquisitions centered on scarcity, packaging, and franchise loyalty. Exclusive studio partnerships — including Paramount Pictures and the recently effective Amazon MGM Studios agreement — reinforce Alliance's position as a trusted, full-lifecycle partner to major content owners, enhancing pricing power, retail visibility, and margin durability.

Simultaneously, the collectibles segment is accelerating. Q2 collectibles revenue increased 31% year-over-year, supported by premium licensed products and the continued integration of Handmade by Robots. By transitioning from distributor to brand owner in select categories, Alliance captures greater value across design, sourcing, and lifecycle management — expanding margins while deepening relationships with licensors and retailers.

Alliance is differentiating itself from other distributors in the space with a strategic layer that adds authentication and digital product identity solutions. With the acquisition of Endstate and the launch of Endstate Authentic, Alliance has added NFC-enabled authentication technology that allows physical collectibles to be verified, tracked, and authenticated across their entire lifecycle — from initial sale through secondary markets, opening the door to recurring, high-margin revenue streams tied to ownership, provenance, and digital engagement.

Alliance Authentic™ is the first commercial application of this strategy. By introducing certified, individually numbered premium vinyl releases enabled by NFC-based authentication, Alliance is proving how technology can be integrated into products it already distributes at scale. Over time, this creates a powerful flywheel: premium content drives higher margins, authentication enhances collectible value, resale extends product life, and Alliance sits at the center of the transaction ecosystem.

Alliance is evolving from a distributor into a platform that monetizes premium physical media and collectibles across their full lifecycle. With exclusive studio partnerships, expanding proprietary brands, technology-enabled authentication, and a structurally improved margin profile, the company is building a more defensible, higher-quality earnings engine. For investors, Alliance represents a profitable, cash-generating platform at the intersection of entertainment, collectibles, and digital authentication — with multiple visible levers for continued margin expansion and long-term value creation.



The **Ultimate**
VINYL
COLLECTIBLE™


ALLIANCE
 AUTHENTIC

Exclusive Distribution & Licensing

Alliance Entertainment's expanding portfolio of exclusive distribution and licensing agreements drives annual sales exceeding \$365 million (33% of total revenue).



Leading distributor of physical and digital entertainment, representing 48 labels across film and television.



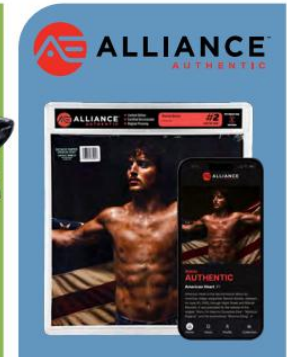
With over 110 labels, AMPED delivers CD's and vinyl with cutting-edge distribution services.



Features a wide range of limited-edition licensed figures from film, TV, and holiday-related themes.



Weta Workshop designs and produces collectible items, including prop replicas, apparel, and jewelry.



Authenticated, pristine vinyl collectibles—certified uncirculated, limited editions, and securely protected.

Investment Highlights

Premier collectibles distribution platform with \$1.06B in trailing 12-month revenue and \$0.43 EPS

- Industry leader with over 340,000 SKUs stocked and shipped to 35,000+ storefronts and 200+ online retailers globally
- Powering demand across mass retail, e-commerce, and specialty channels

Strategic expansion in high-growth collectibles markets

- Vinyl, retro gaming, tabletop games, and licensed toys benefit from enduring demand from collectors and fans
- Physical movie sales up 33% year-over-year in Q2 FY26, led by premium formats and exclusive content
- Handmade by Robots (acquired 12/2024) continues to expand retail footprint and licensing pipeline, contributing to premium, higher-margin proprietary collectibles growth
- Launched Alliance Authentic™, a premium vinyl collectibles platform featuring certified, individually numbered releases
- Proven M&A strategy: targets businesses with strong fan communities, exclusive IP, or strategic retail footprint

Technology-enabled authentication & resale platform expands moat and margin profile

- Completed acquisition of Endstate and launched Endstate Authentic LLC, a wholly owned authentication and resale subsidiary
- Creates opportunity for recurring, high-margin software, services, and secondary-market royalty revenue streams

Exclusive content & licensing deals create powerful competitive moat

- \$350M+ of trailing 12-month revenue from exclusive distribution and licensing agreements
- Partners include major studios and brands behind DC Comics, Ghostbusters, Harry Potter, and more
- Exclusive North American physical media partnerships, including Paramount Pictures (1/1/2025) and Amazon MGM Studios (1/1/2026), strengthening Alliance's leadership in premium home entertainment and supporting continued growth

Omnichannel reach & fulfillment expertise at scale

- Seamlessly fulfills orders for Amazon, Walmart, Best Buy, GameStop, and specialty retailers
- Ships on behalf of retail partners, enabling broader online assortments with zero inventory risk for customers
- Direct-to-consumer fulfillment now represents 37% of gross revenue, offering capital-efficient growth

Capital-light model supports margin expansion and free cash flow

- Leverages automation, scale, and centralized infrastructure to drive profitable growth
- 10%+ YoY reduction in distribution and fulfillment expense in FY25
- 1H FY26 gross margin of 13.5% and ~5% adjusted EBITDA margin underscore a structurally reset and sustainable margin profile

Seasoned leadership with deep industry experience

- Leadership team with decades of success across media, licensing, and logistics
- Strong alignment with shareholders through significant insider ownership

Analyst coverage with \$10.33 median price target (ThinkEquity, Maxim, and Noble)