BARREL KING

Operating Metrics — Appendix A

May 2026

Barrel King operates a recurring-revenue whiskey membership built on a unified BK + ORCS platform. Across 50 months of operating history, the program has compounded into a $2.09M T12M member recurring business with a durable retention profile, low concentration risk, and a high-LTV top tier driving outsized lifetime value.

$7.28M	$2.09M	$190 / mo	$1,744 / yr
Lifetime Revenue	**T12M Member Recurring** $1.29M Dues + $800K Upsell	**ARPU** *per active member-month*	**ARR per active member** *Annualized recurring*

$2,662	2,123
Lifetime Revenue *per recurring member*	**Members Acquired** *985 paying ≤90d* *1,057 incl. quarterly* *1,310 all-in (incl. unconverted + boomerang)*

RECURRING REVENUE ENGINE

Subscription is the recurring spine: **$4.57M lifetime recurring revenue (63% of total)** from active GOLD + LOCAL dues + member upsells. FOUNDER delivers 3.3x the LTV of standard GOLD over 12.5-mo average tenure. 37% of revenue from public ecommerce, wholesale, collab batches, tasting room, merch.

Membership Tier	Households	Lifetime Rev	Avg LTV	Avg Tenure (mo)
FOUNDER (top tier)	119	$968K	**$8,133**	31.2
GOLD (shipped)	1,567	$3.88M	$2,479	11.0
GOLD-Local (pickup)	484	$928K	$1,918	13.5

COHORT RETENTION

Cohort survival measured by tenure month — **73% retained at month 3, 35% at month 12, 11% past month 36.** Layered on top: 33% of members who pause within a 12-month recovery window return as boomerangs, driving an additional $250K+ expected reactivation pipeline.

Tenure	Survival	Interpretation
Month 3	73%	Past trial window — high stickiness
Month 6	55%	Half-life of cohort — typical for DTC subscription
Month 12	**35%**	One-year retention — solid for whiskey/DTC subscription
Month 24	15%	Two-year hold — durable subscriber base forms here
Month 36+	11%	Charter cohort floor — deeply loyal long-term core

UNIT ECONOMICS & PROFITABILITY

- 69% gross margin · $108 monthly gross contribution per active GOLD member · net contribution LTV $1,837 at 69% GM / 12.7-mo blended tenure / FOUNDER 31.2-mo.
- Adj EBITDA: $358K (2025A, 14% margin) → $581K (2026E, 19%) → $1.07M (2027E, 29%) → $1.39M (2028E, 33%). Strong operating leverage as scale builds.
- MRR compounded 38x in 4 years ($4.1K Mar 2022 → $154K Mar 2026).
- Public launch revenue: $145K T12M from new DRUM KEY release series — incremental to recurring/dues line, treated as separate launch event.

Active paying = HH with dues in last 90d AND classified recurring; excludes one-and-done trial payers and zero-pay enrolls. "967 currently engaged" subset = paid real dues in last 120d AND spent in Mar/Apr. T12M = May 2025–Apr 2026 (12 mo actual). Trial-recovery upside disclosed in Appendix.