

Biote Corp.

Third Quarter 2025 Earnings Conference Call

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CORPORATE PARTICIPANTS

Szymon Serowiecki--*Investor Relations*

Bret Christensen--*Chief Executive Officer*

Bob Peterson--*Chief Financial Officer and Chief Business Officer*

PRESENTATION

Operator

Good day, and welcome to the Biote Third Quarter 2025 Earnings Conference Call. [Operator Instructions] Please note, this event is being recorded.

I would now like to turn the conference over to Szymon Serowiecki, Investor Relations. Please go ahead.

Szymon Serowiecki

Thank you for joining us today. This afternoon, Biote published financial results for the third quarter ended September 30, 2025. This news release is available in the Investor Relations section of the company's website. Hosting today's call are Bret Christensen, Chief Executive Officer, and Bob Peterson, Chief Financial Officer.

Before we get started, I'd like to remind everyone that management will make statements during this call that include forward-looking statements regarding, among other things, the company's financial results, future performance and growth opportunities, business outlook, strategies, goals, research and development, manufacturing and commercialization activities, its competitive position, regulatory process operations, benefits of its solutions, anticipated impact of macroeconomic conditions on its business, results of operations, financial conditions and other matters that do not relate to historical facts. These statements are not guarantees of future performance. They are subject to a variety of risks and uncertainties, some of which are beyond the company's control.

Actual results could differ materially from expectations reflected in any forward-looking statements. These statements are subject to risks, uncertainties and assumptions that are based on management's current expectations as of today. Biote undertakes no obligation to update them in the future. Therefore, these statements should not be relied upon as representing the company's views as of any subsequent date. For a discussion of risks and other important factors that could affect our actual results, please refer to our SEC filings available on the SEC's website and the Investor Relations section of our website as well as risks and other important factors discussed in the earnings release.

Management will also refer to adjusted EBITDA and adjusted EBITDA margin, which are non-GAAP financial measures to provide additional information for investors. A reconciliation of the non-GAAP to GAAP measures is provided in our earnings release, the primary differences being stock-based compensation, fair value adjustments to certain liabilities, transaction-related expenses and other non-operating expenses. Please refer to our third quarter 2025 earnings release for a reconciliation of these non-GAAP measures to the most comparable GAAP measures.

I'll now turn the call over to Bret Christensen.

Bret Christensen

Thank you, Szymon, and thank you all for joining us. I'll provide an update on the state of our business and our ongoing corporate initiatives. And then I'll turn the call over to Bob for a review of our third quarter financials and our 2025 financial outlook. After our comments, we'll open the call up for questions.

During the third quarter, we continued to make solid progress, advancing our top strategic priorities that we believe will drive increased and sustainable growth. As you'll recall, these three priorities are: one, accelerate growth from new providers; two, maximize value from our top-tier clinics; and three, improve our financial performance through greater accountability and discipline.

I'll begin with priority one, accelerating growth from new providers. To achieve this goal, we are rebuilding our commercial organization and instilling a high-performance culture while also directly aligning sales incentives with our growth objectives. In doing so, we are significantly enhancing the quality, capabilities and effectiveness of our sales team.

With new commercial leadership in place, we have implemented fundamental improvements to how we recruit, train and equip our sales reps to ensure their success in the field. We continue to invest in talent to address our market opportunity, and I have been pleased with the performance-oriented approach and positive energy our new team members bring to Biote every day.

To add some color to the scope of this ongoing transition, approximately half of our commercial team joined Biote in the past year. In terms of team size and sales territory coverage, we are currently at about 75% to 80% of where we would like to be. We are consistently onboarding new sales reps and expect to achieve our planned sales rep headcount for 2025.

To more efficiently expand and scale our network, we continue to refine our training and onboarding methods for new practitioners. To meet our practitioners' diverse needs, for example, we have expanded availability of training sessions. This flexibility helps practitioners achieve certification more efficiently, enabling a quicker path to clinic productivity that we believe is important for optimizing long-term clinic success.

As I noted in last quarter's call, the process of rebuilding our sales team and enhancing our core sales and marketing functions has impacted procedure revenue in the near-term. Even as we expanded our clinic network in the third quarter, the third quarter sales contribution from new clinics was impacted by last year's slower pace of new business.

While our financial results don't yet demonstrate the improvements we have made to the quality and capabilities of our commercial team, I'm highly confident we remain on the right path to return our core hormone optimization business to a growth trajectory.

Turning to our second priority, maximizing value from top-tier clinics. As an established leader in hormone optimization therapy, Biote has been long recognized for our science and evidence-based approach to care. It's one of the primary reasons practitioners choose our innovative solutions to treat their patients and sets Biote apart in the marketplace.

In September, we hosted our annual Sun, Sea and Biote marketing event in Cancun. More than 800 attendees from our provider network participated to share insights and align on Biote's vision of advancing healthspan and vitality with innovative hormone optimization and healthy aging solutions.

At our marketing event, we were joined by several world-renowned speakers, including Dr. David Sinclair, Dr. Rhonda Patrick, Dr. Jim Simon, Dr. Abe Morgentaler and more. Each of these experts delivered compelling perspectives on the future of personalized medicine. Attracting these high-profile speakers to our event reinforces Biote as the leader in evidence-based hormone optimization and therapeutic wellness. We will continue to invest in education and training to further strengthen our market leadership position.

An event of this size and caliber served to further strengthen our relationships with our practitioners and advanced our goal of integrating hormone optimization into mainstream health care. We aim to leverage the positive energy and momentum from this event into potential new growth opportunities as we move into 2026.

Turning to our third strategic priority, improving our financial performance through greater accountability and discipline. Over the past six months, we have successfully implemented many fundamental changes and improvements to our internal processes and systems. While not visible externally, these actions are essential to driving operational excellence and long-term value creation.

The upgrades we have implemented are already beginning to deliver positive results, enhancing our data insights, productivity, and facilitating more consistent and more disciplined execution across the organization. As we continue to build our commercial team and expand our clinic network, our strength in infrastructure and internal processes will support our ability to scale our business more efficiently.

In summary, I am pleased with the solid progress the Biote team has achieved over the past six months. While we have further work ahead of us, we have laid much of the groundwork to achieve outstanding commercial execution that I am confident will translate into improved financial performance.

I'll now turn the call over to Bob.

Bob Peterson

Thank you, Bret, and good afternoon, everyone. Unless otherwise noted, all quarterly financial comparisons in my prepared remarks are made against the third quarter of 2024. Third quarter revenue was \$48.0 million, a decrease of 6.7%. Procedure revenue declined 10.4% and dietary supplements revenue grew 8.4%.

Similar to the second quarter of 2025, procedure revenue was primarily impacted by a slower rate of net new clinic additions and lower procedure volume during the third quarter of 2025. While necessary to achieve our long-term strategic objectives, the ongoing transformation of our commercial team was a headwind to procedure revenue in the third quarter, as Bret noted.

Moving forward, we will continue to add new sales talent to expand our sales coverage and make additional strategic investments to further strengthen our sales and marketing capabilities. We anticipate reaching our targeted sales rep headcount by the end of this year, which should help us return to procedure revenue growth.

Despite a challenging comparison due to a successful product launch in last year's third quarter, dietary supplement revenue increased 8.4% to \$11.2 million, primarily driven by the continued growth of our e-commerce channel. New product offerings are an important market opportunity for Biote, and we continually identify promising new opportunities to optimize our portfolio. Looking forward, we continue to expect mid-teens revenue growth from our dietary supplements business for the 2025 fiscal year. Gross profit margin was 71.8%, a 150 basis point increase. The improvement primarily reflected cost savings from the vertical integration of our 503(B) manufacturing facility and effective cost management.

As our primary pellet production facility, Asteria has secured 44 state licenses to date and is currently supplying more than 50% of the pellets ordered by practitioners. Selling, general and administrative expenses increased 9.3% to \$26.2 million. The increase reflected the timing of our annual marketing event, which was held in the second quarter last year as well as continued investment in sales and marketing to drive new customer growth.

Net income was \$9.2 million and diluted earnings per share attributable to Biote Corp. stockholders was \$0.22 as compared to net income of \$12.7 million and diluted earnings per share attributable to Biote Corp.'s stockholders of \$0.33. Net income for the third quarter of 2025 included a gain of \$2.9 million due to the changes in the fair value of the earn-out liabilities.

Net income for the third quarter of 2024 included a gain of \$7.2 million due to the changes in the fair value of the earn-out liabilities for that period. Adjusted EBITDA decreased 20.5% to \$12.9 million with an adjusted EBITDA margin of 26.9%. This compares to adjusted EBITDA of \$16.2 million and adjusted EBITDA margin of 31.5%. Both adjusted EBITDA and adjusted EBITDA margin decreased due to lower sales, reduced gross profit and higher operating expenses, which included the shift of our annual marketing event to the third quarter of 2025.

Third quarter cash flow from operations increased \$14.1 million to \$27.6 million. As of September 30, 2025, cash and cash equivalents were \$28.0 million compared to \$19.6 million as of June 30, 2025. Supported by our strong balance sheet and liquidity, Biote recently undertook two separate actions to deploy capital that the company believes will provide long-term value to shareholders.

First, Biote repurchased approximately 1 million shares of our Class A common stock at an average price of \$3.28 per share. These repurchases were made within our \$20 million common share repurchase program approved by the Board in 2024. Second, Biote amended its settlement agreement with Marci Donovitz to repurchase her remaining shares at a savings to the original agreement. Under this amended agreement, Biote paid Mrs. Donovitz \$12.5 million in October, which fully settled the multiyear payment obligation.

In addition, earlier this week, Biote amended its settlement agreement with Dr. Gary Donovitz to repurchase his remaining shares at a savings to the original agreement. Biote agreed to pay Dr. Donovitz \$18.5 million in January 2026, which when paid will fully settle the multiyear payment obligation.

Now turning to our financial outlook for 2025. As Bret noted, Biote continues to make solid progress in pursuit of our strategic priorities. As a result, we reiterate our fiscal 2025 revenue guidance of above \$190 million and our fiscal 2025 adjusted EBITDA guidance of above \$50 million. Now I'll turn the call back to Bret for his closing comments.

Bret Christensen

Thanks, Bob. While the full impact of our initiatives will take time to realize, I remain confident in the strategic path we've set. Our teams are fully aligned on our vision, and we are executing with discipline, strategic clarity and a shared commitment to delivering a higher level of financial performance that builds long-term shareholder value.

Operator let's now open the call for questions.

QUESTION AND ANSWER

Operator

[Operator Instructions]. Our first question comes from Kaumil Gajrawala with Jefferies. Please go ahead.

Kaumil Gajrawala

Thanks everybody. Good evening. I guess a couple of questions. First on this, I guess, the speed of hiring the sales folks. We hear some of these sort of oscillations between really difficult time to hire, maybe it's getting a little bit better. Is it going about according to pace? And is it also going at about the cost you had expected? Or is it a tighter market and maybe it's taking longer and might cost more than you thought?

Bret Christensen

Yes. Kaumil, this is Bret. Thanks for the question. Let me start by just saying, as you remember, in May, when we did our restructure, we did a couple of things. We changed a lot of incentives, a lot of comps, a lot of definitions of the roles. We also did a restructure that essentially increased the size of our sales force by about 25% as we made everybody a salesperson and everybody responsible for growing revenue. That created quite a number of openings starting in May.

Since May, we've had some turnover due to the culture change, and we've been actively hiring a new and improved profile of rep that we think could be even more effective here at Biote. And so I'm pleased with the progress. For a few months, it was a little bit of ups, a little bit of downs, but we've made great progress recently and are about 85% of where we want to be by the end of the year and we're committed to getting there by the end of the year.

It just means full territories so that we can give the attention to our customers that they deserve that we can protect our business and that we can have every territory growing at the rate that we need it to. So making good progress as of late, and we'll make further progress in the coming quarter.

Kaumil Gajrawala

Okay. Great. And can you maybe just lay out like in sort of practical terms, how the transition is impacting the number of procedures? Maybe just talking about how you're adding folks, but the procedures are coming off. Is it just year-over-year or something else going on in practical terms that leads to that?

Bret Christensen

Sure. If you remember, we highlighted this at the very beginning of the year. So the real headwind to volume started at the end of last year with the launch of our CDSS system and really moving the attention and the focus of our sales force into making sure that the training and the onboarding of that new system went as smooth as it could go at the end of last year.

Then, of course, we've had some change and some restructure this year, which has created these openings. In all, it's meant pressures to volumes. And so slightly higher attrition, which we highlighted a few quarters ago relative to the past and, of course, slower new starts. And those two things combined, slower new starts of customers and slightly higher attrition have created lower volumes year-over-year.

And so everything we're doing now is focused on remedying both of those initiatives, getting more new customers to start and then protecting and growing our business, which were the two of the three initiatives that I mentioned just a second ago.

Bob Peterson

And then Bret, just one other thing to add to that. Just one other thing to add would be, as we look at the new hires, you highlighted just a second ago that they were a little bit lower and we've started to ramp up. But to kind of bring both of your questions together, Kaumil, I mean, as you look at where we were in July, we're in that kind of mid-60s zone.

We have ramped up at the tail end of Q3 up to around 80 people on board. And so the second half of Q3, we have really started to see that increase. So as we start getting into the end of Q3 and even into Q4, we expect to see that impact of having a more full staff on board. So as we progress, I think that's just another practical aspect of this. It's tough to sell without the people. And back to Bret's earlier comment, we're progressing well on that.

Kaumil Gajrawala

Got it. And maybe sneaking just one more in is the new structure with the Donovitz's. It's less money? What was the motivation maybe from their side to take less money, but to take it now versus sort of multiyear payout? Just trying to understand the intentions on that. I think I understand the intentions from your side, maybe from the other one.

Bob Peterson

No. Look, I mean, I can't speculate on the drivers for either Marci Donovitz or Gary. I can only imagine it was personal reasons. But what I can tell you is that we are confident that this makes sense for the company given the future cash flow savings that we're seeing now. So to know that we got the cash flow savings on both of these transactions and a couple of other benefits, that's a really good move for us.

Kaumil Gajrawala

Got it. Thank you.

Operator

And the next question comes from Les Sulewski with Truist. Please go ahead.

Les Sulewski

Yes. Thank you. Good evening. Thank you for taking my questions. So, coming out of the marketing event, can you provide any feedback that you received from some of the practitioners in attendance? You know, what is the area of focus or improvement? Or what are they essentially saying?

And do you have a sense of trends following the event? And how has October and November been trending, if you can comment on that? And then the second part, does the focus still remain on the top-tier accounts? And eventually, when could you expect an inflection point in procedural growth? And is it more of a bolus or a step-up? Thank you.

Bret Christensen

Yes. Thanks, Les. Let me make sure I get all your questions, but I'll start with the marketing event that you asked about. Every about 18 months or so, we do something that's called Sun, Sea and Biote. And what we attempt to do is get our top-tier providers off-site together to learn. And it's not all about current Biote products. A lot of it is some of the innovation that's happening in the field.

I mean, as I noted earlier, the speakers that we had this year were amazing. It was an amazing lineup. It was a big draw completely packed house. And while this was my first Sun, Sea and

Biote what I heard consistently, not just from the attendees, but from employees that have been to many of these that this was the best one we've ever had.

So it was a packed house, nearly 800 providers that all gathered together in Cancun. It creates a real sense of family. There's a lot of collaboration, a lot of problem solving, a lot of discussion. You can imagine what it does to our volumes for the 3 days that we take a lot of our best customers out of the field. But we quickly see that pick up again.

And we think what it does is just reinforce again why you're doing business with Biote, why you're one of our customers, the value that we offer in education and learning. And it's just a fantastic event. So I can't say enough about it.

The providers raved about the speakers, the event, just the interaction. It was a great time. So, we were sort of on a high coming off of that, the field members, the customers, and it was just a great way to end the month of September. So, really, really positive event.

As far as trends go post event, it's too early to tell. But what we do believe is it's a retention factor because if you go to that event, you recognize just how far ahead really Biote is a leader in this field and what we do. So we'd love to get all of our providers.

I've heard over and over again, it would be great if we could get the almost 9,000 trained Biote providers to all go to that event. It's a very powerful event. So, we'll watch the trends closely, but we love the event. We think it's going to bear fruit, and it's a good time.

Now your question about top-tier providers, which is a good lead-in from that event. That is our focus. It's the #2 priority that I mentioned, accelerating new practitioner growth being #1 and then maximizing value from top-tier providers. It's all linked to some of the questions we had earlier from Kaamil.

We've got to make sure, one, we have reps in the field, we have good coverage so that we're meeting customers where they are, that we are, you know, attentive to their needs and that we're constantly driving value and protecting that business, frankly. So, it's a really important initiative of ours.

We've launched a number of internal initiatives that help us monitor closely the volumes from our top-tier providers so that we can reach out proactively and not reactively. And so, we're doing a better job of that. We haven't seen yet the fruits from some of those efforts. But again, we've got to get attrition a little bit lower, and we've got to maintain that business and get new customers coming on board. So that's just key to our growth.

And then just your question on when will we see that, which I think was your third question, Les, if I'm right. Too early to tell. But we think we're doing everything in the right way, and we know it's going to have results. It's just too early yet to forecast when we'll start to see things go in a different direction. For us, we want to see sequential multiple months in a row of growth and get comfortable that things are definitely headed in the right direction before we call it. We're going to be cautious there until we see that trend.

Les Sulewski

Very helpful. Thank you.

Operator

Biote Corp.

Wednesday, November 05, 2025, 05:00 PM ET

And the next question comes from Jeff Van Sinderen with B. Riley Securities. Please go ahead.

Jeff Van Sinderen

Hi, everyone. I guess since we're just touching on the attrition rate, I'm just wondering, has that stabilized? Has the attrition rate declined from Q2 sequentially or has it accelerated? And then I guess when you're out in the field, you're talking to your providers, what do you think is driving that attrition rate at this point?

Bret Christensen

Yes, Jeff, thanks for the question. I would say we didn't quote an attrition rate this call but it's been similar to the elevated rate. We said historically, it's been around 5%. I think Q2, we said it had elevated to around 8%. It was similar to that in Q3. And so not improvement but not material declines in attrition, but that is still higher than we'd like it to be. I think the issues are multiple. There is more competition in the field today. When we took our eye off the ball with the launch of CDSS, we certainly lost some accounts and started to lose some accounts. Again, that was the end of last year. But in this annuity model, those losses follow you for a year. And so that's probably the start of it.

And then the other factor that we just got to make sure we remedy is just having a rep in every territory. And frankly, I think we've gotten better here, not just with our hiring, which we spoke about earlier to an earlier question but the hiring profile, the interview process, the training for sure. We've improved all of those processes to make sure that we get a better prepared and we think better individual in the field. Now it's about just making sure we fill all the territories.

I'd say on top of that, we need these early warning systems, and we need to improve the value proposition. And that is multiple faceted. There's things we can do in the short term, rep coverage, service, education. But longer term, there's things that we're working on. We haven't talked about yet but that materially add, we think, to the value proposition and further separate us from any of the competitors out there.

Essentially, those things are around doing business with Biote, making it easier to do business with us and then probably some portfolio enhancements and potentially further investments in sales and marketing. And so we'll probably talk about those things more in the future. For now, it's getting good hygiene in the field and making sure that we're serving our customers in the best way that we can.

Jeff Van Sinderen

Okay. And then if we could just circle back to the Marci and Gary accelerated situation. Maybe could just remind us how much at this point you're saving versus the prior agreements in total, the dollar savings there?

Bob Peterson

Okay. Yes. No problem. So on the Marci agreement, we owed installments of \$10 million in June of '26 and \$10 million in June of '27. We have agreed to pay \$12.5 million or we did pay \$12.5 million in October 6 for a cash flow savings of around \$7.5 million. On the Dr. Donovitz deal, we had two instalments, one in April of '26 for \$19.1 million and one in April of '27 for \$10.5 million. So rather than paying \$29.6 million, we will pay Dr. Donovitz \$18.5 million on or before January 2, 2026. So the overall cash flow savings there is around \$11.1 million.

Jeff Van Sinderen

Okay. Great. So yes, it's a pretty good chunk of savings.

Bob Peterson

Absolutely.

Jeff Van Sinderen

I guess one of the other things, if I could squeeze one more in. I guess when you talk to your providers, you were just at Cancun. What do you hear from them as far as why maybe the procedures are down with some of them? Or are they high-tier providers, so their procedures are not declining. Maybe just touch on that, what you're seeing between the high-tier and lower-tier providers? And then just anything you learned from those providers at the Cancun event relevant to your business.

Bret Christensen

Yes, Jeff. And just consider that it might be a bit of a biased data set, right, because we get some of our biggest and most committed customers to make that trip. But I heard a ton of positives about what we're doing, a lot of good feedback on CDSS, albeit some fair criticism on how we launched that software. A lot of excitement into the product offerings that we have today. They, of course, had a lot of questions about where we're going with Biote and we've got to be cautious with what we can share there. But I didn't hear any massive changes into their volumes.

There are some small tweaks that we made to CDSS that could either shorten or lengthen the cycle in which a patient gets pelleted. That's hard to quantify meaning, if you're coming back every 4 to 6 months and now we're doing trough labs, if those trough labs suggest, hey, you might want to wait on this patient 30 days or so, that could push a patient back 30 days. But honestly, that type of stuff is short term, and we will lap that if there is any headwind to something like that. And again, it's just really hard to quantify.

I think our customers want more of these types of things from us. They reiterated how good we are with education. We have things called advanced training that they love more of and like to participate more in. And again, that's a happy customer base. I mean the 800 or so providers that showed up for Sun, Sea & Biote are very happy and just excited to be part of the family. So I think we learn more from customers that we either recently lost or that might be at risk. And we do. Again, I think that happens when we're quiet in the field. We don't have a rep. We've got to make sure we have a rep that's attentive to those needs. And we've got to just realize what the competition is doing so we can be responsive and proactive.

Jeff Van Sinderen

Okay, thanks for all that color. I'll take the rest offline.

Bret Christensen

Thanks, Jeff.

Operator

And the next question comes from Jonna Kim with TD Cowen. Please go ahead.

Jonna Kim

Thank you for taking my question. Curious on the ramp cycle of your sales force when they're hired, is there typically a couple of months that you have to wait until they're more productive? And any color on the supplements business, whether that's tracking in line to your expectations? And what are some of the growth drivers that you look forward to next year?

Bob Peterson

Yes. So I'll start with the last one first and then go back to the ramp period, and Bret can supplement also. We continue to see strong performance in our Amazon channel in the Nutra's business. But just you know that we are going to start seeing in the coming quarters, we're going to begin to lap some of the gains that we've had in the past. I would just say you saw a slight reduction in growth. And that was really, as I said in the prepared remarks, related to a product that we launched at the end of Q3.

But we can't forget that as far as Nutra's go, that 70% of our Nutra business come from clinic sales. And these have largely followed that of the procedure business. So we continue to identify opportunities for growth. But on the Nutra front, it was right in line with where we would have expected, and that's reflected in our guide of mid-teens growth.

On the second front, I would just say that as we look at hiring, there is a ramp-up period anywhere from that the typical 3 to 6-month ramp on new hires. That's one of the reasons why we're trying to get as many people on board to hit that target by the end of the year so that we can really get those individuals trained through our new training operation and then get them ready to go by the time we hit our national sales meeting in early Q1. So there is that ramp period, but I think that's kind of baked into our expectation. I don't know, Bret, if you had anything more to say there.

Bret Christensen

No, just we're conscious of that ramp because we need people in the field and to be productive right away. We're tailoring our training classes, which is a 2-week course. We're having those as often as possible to make sure that we don't just hire people and make them wait around to be trained. So they're getting trained quickly. They go into the field with a field trainer. And we think that they get out pretty prepared to start growing their business. They still have relationships they need to make and a value proposition to pitch.

Anecdotally, Jonna, we had a POA meeting, a plan of action meeting recently where we highlighted some best behaviors from reps as we sort of called reps up to do role plays and things. I want to say of the five reps that we called up, four were hired within the last three months to demonstrate and talk about a new account that they had won. So we are getting people off to a quicker start, I believe, than we have historically because of better training and better hiring. But there's -- to Bob's point, there's definitely a ramp that we've got to account for.

Bob Peterson

And better targeting, Bret, I think that's the other side. We highlighted on who we want to bring in, and we're starting to see some of that. I think that's a testament to what you just said.

Jonna Kim

All right. Thank you.

Operator

And the next question comes from George Kelly with ROTH Capital. Please go ahead.

George Kelly

Hi, everyone. Thanks for taking my questions. First, back to the marketing event. Can you quantify what the spend was in that quarter?

Bob Peterson

Yes, it was around \$1.3 million, which was a little bit less than what we had expected because of sponsorship.

George Kelly

Okay, great. And then second question on Asteria. I think you said in the quarter that it supplied over 50% of your procedure fulfillments. Do you expect that to ramp? How should that sort of progress in the coming quarters?

Bob Peterson

Yes, George, good question. And just think about where we were at the time of the last call, we were in that 42% range. By the end of September, we were just above 50%. We've said routinely that our goal is to progress this forward in a slow and tempered fashion as not to impact our providers.

I would say that as we think about going forward, our next wave of conversion will probably be in the next month, month and a half. So it probably won't have a material impact on Q4. But as you know, ordering patterns oscillate throughout the period, so it's tough to really nail down that exact figure. But we are still in the process of converting clinics, and we expect to see some ramp through the rest of the year.

George Kelly

Okay. And then on the Donovitz transactions, can you remind me, it's 2.8 million shares from Marci and 6.1 million from Gary. Is that correct?

Bob Peterson

That's correct. That is correct. Both V shares.

George Kelly

Okay. And then are they getting any other -- or any of the other terms of those agreements changed?

Bob Peterson

Very good comment and let's just touch on it really quick. So the Marci Donovitz transaction was pure cash flow elimination and restructure of the original settlement. We did add a couple of key parts to the Dr. Donovitz transaction. So in addition to settling the cash flow, the liability, Dr. Donovitz extended his non-compete and non-solicitation agreement for an additional year, which puts us all the way through April of 2027. And he agreed to dismiss all pending litigation between Biote and himself. So that was a pretty big win for the company also.

George Kelly

Okay. That's great. And then just one last question for me. With respect to your guide and the procedure revenue growth you just posted negative 10.4% in the quarter. I know that you don't want to get too far in front and maybe you just don't want to say anything, but can you help us at all like the kind of monthly trend there? Or just trying to gauge your full year guide implies that maybe that growth rate steps down again in 4Q. And so I don't know if there's kind of any help you can give just around your expectations in the near term for that growth rate.

Bob Peterson

Yes. Good question, George. And I think the way that I would characterize it is quarter-over-quarter, sequential quarter-over-quarter, one thing to keep in mind, when we think about how this operation works, it's very work day focused, very retail focused. So in Q3 compared to Q4 of this

year, we will have three less business days in Q4 than we did in Q3. So just be thinking about it from that perspective.

The only other thing that I would highlight is we also are dealing with some uncertainty around the holiday period. We've seen some ups and downs around the holiday period. And as you can imagine, I know you were only focusing on procedure growth. But I would also just say those three less days also impact that 70% of our B2B sales. And just remember, from a B2B perspective, that week between Christmas and New Year is typically a bit of a slower period also.

So on both, you've seen the guide. I think when we think about procedures in the high-single digits from a reduction perspective and then mid-teens growth, I think, puts you in the right place from a revenue perspective. Hopefully, that adds a little bit of color.

George Kelly

Okay. All right. Thank you.

Conclusion

Operator

This concludes our question-and-answer session. I would like to turn the conference back over to Bret Christensen for any closing remarks.

Bret Christensen

Thank you, everyone, for joining us today. We appreciate your interest in Biote and look forward to speaking with you on our next conference call.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.