

Biote Corp.

Fourth Quarter and Full Year 2025 Earnings
Conference Call

Wednesday, March 11, 2026, 5:00 PM
Eastern

CORPORATE PARTICIPANTS

Bret Christensen - *Chief Executive Officer*

Bob Peterson - *Chief Financial Officer*

Szymon Serowiecki - *Investor Relations*

PRESENTATION

Operator

Good day, and welcome to the Biote Fourth Quarter and Full Year 2025 Earnings Conference Call. All participants will be in a listen-only mode. Should you need assistance, please signal a conference specialist by pressing the "*" key followed by "0." After today's presentation, there will be an opportunity to ask questions. To ask a question, you may press "*" then "1" on a touchtone phone, to withdraw your question, please press "*" and then "2." 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 fourth quarter and full year ended December 31, 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 would 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, strategic plans and anticipated benefits, goals, research and development, manufacturing and commercialization activities, its competitive position, regulatory process operations, benefits of its solutions, the anticipated impact of macroeconomic conditions on its business, results of operations and 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 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 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 also refers to adjusted EBITDA and adjusted EBITDA margin, which are non-GAAP financial measures to provide additional information to investors. A reconciliation of the non-GAAP-to-GAAP measures is provided in our earnings release, with the primary differences being stock-based compensation, fair value adjustments to certain liabilities, and other non-operating expenses. Please refer to our fourth quarter 2025 earnings release for a reconciliation of these non-GAAP measures to the most comparable GAAP measures.

I will now turn the call over to Bret Christensen.

Bret Christensen

Thank you, Szymon, and thank you all for joining us. I will provide a summary of our key strategic and operational accomplishments in 2025 and discuss our priorities in 2026. Bob will

then review our fourth quarter financial results and provide our 2026 financial outlook. After our comments, we will open the call for your questions.

2025 was a pivotal and productive year for Biote, marked by important changes to the Biote team, our processes and our culture. Through our decisive actions, we achieved progress against our strategic plan, and I believe we became a more resilient, more disciplined and more effective organization. These qualities position Biote to drive increased and sustainable growth in the large and underserved market of hormone replacement and therapeutic wellness.

As you recall, our top three strategic objectives were, one, prioritizing and accelerating new clinic growth, two, maximizing value from existing top-tier clinics, and three, strengthening accountability and discipline throughout the company.

I will begin with our progress on new clinics, which are fundamental to generating consistent revenue and earnings growth over the long term. To accomplish this goal, we rebuilt a significant portion of our commercial team, recruited new leadership and talent who bring fresh energy and a high-performance mindset to our business. To help ensure their success, we have empowered our sales team with upgraded tools and training and designed a new incentive compensation framework that aligns with our high-growth objectives.

We also completed the restructuring of our commercial team both by geographic region and by sales role. This new structure has two key advantages. One, it enables us to provide a higher level of service to our existing accounts, and two, it allows for us to remain laser-focused on driving new clinic growth and optimizing new practitioner success.

We ended 2025 with over 90 salespeople, up from approximately 60 at the time of our sales reorganization last May. I am pleased to report that our new team members are stabilizing clinic attrition and maximizing new clinic starts in the fourth quarter.

In addition, from mid-November to present, we have seen an acceleration in the number of practitioners attending our trainings, with all of our training sessions at full capacity. This reflects our recent success in recruiting new practitioners and broadening our training options for them. Because the number of new Biote certified practitioners is typically a leading indicator of procedure growth in the future, we plan to build on this momentum by continuing to invest in our commercial organization in 2026.

Our second strategic objective was to maximize value from our top-tier clinics. To accomplish this, we deepened our relationships with existing practitioners, which reinforced our role as an essential partner that is committed to their success.

Second, we continue to introduce innovative, science-based solutions that promote patient health span and vitality and advance the standard of care. And third, to minimize unanticipated clinic attrition, we leveraged data analytics to evaluate refined contract and incentive models that strengthen the longer-term value equation of our top practitioners.

Turning now to our third strategic objective. We emphasized accountability and discipline in our pursuit of operational excellence. Most importantly, we have strengthened and refined the internal processes and systems that underpin our operating model. These enhancements improved our data analytics and productivity, enabling more consistent execution. Having strengthened our core capabilities, I am cautiously optimistic we will reaccelerate procedure revenue growth and scale the business with greater efficiency.

I would now like to comment on our strategic plans for 2026. Over the past year, we have laid the groundwork for a more efficient and more disciplined operating model, one that positions us to deliver stronger and more consistent financial performance in the years ahead. In 2026, we will focus on advancing the progress we achieved in 2025.

For example, we will be making a sizable and necessary investment in our sales and technology capabilities. Specifically, we intend to expand our sales personnel from over 90 at the end of 2025 to approximately 120. Concurrent with this investment in our commercial team, we will be investing in our leading-edge technology platform in 2026. This investment is designed to facilitate a more efficient and seamless practitioner journey from initial training and certification to driving a successful Biote clinic over the long term.

We also anticipate that this investment will enhance long-term practitioner retention while expanding sales of our Biote branded dietary supplements and other healthy aging solutions. I am confident now is the right time to make these investments, which we believe are essential to accelerate growth, expand our market opportunity, and further enhance engagement with existing practitioners. While this step-up in expenses will impact our adjusted EBITDA in 2026, we believe these planned investments position our team to reach our long-term strategic, operational and financial objectives.

I will now turn the call over to Bob to review our fourth quarter results and provide our financial guidance for 2026.

Bob Peterson

Thank you, Bret, and good afternoon, everyone. Unless otherwise noted, all quarterly financial comparisons in my prepared remarks are made against the fourth quarter of 2024. Fourth quarter revenue was \$46.4 million, a decrease of 6.9%. Procedure revenue declined 13% to \$31.8 million, while dietary supplement revenue grew 16% to \$11.7 million. Similar to recent quarters, procedure revenue was primarily impacted by a lower number of net new clinic additions and lower procedure volume during the fourth quarter of 2025. As Bret noted, in 2026, we anticipate increasing our investment in our sales capabilities to capture a larger share of our available market opportunity.

Dietary supplement revenue increased 16% to \$11.7 million, primarily driven by the continued growth of our e-commerce channel. Dietary supplements represent an important and complementary market growth opportunity, strengthening patient engagement with Biote by meeting their evolving needs for safe and effective healthy aging solutions. Looking forward, we forecast our dietary supplements revenue will grow at a mid to high single-digit rate in 2026.

Gross profit margin was 68.0% compared to 71.8%. The decrease was due to a \$1.3 million charge to inventory during the fourth quarter of 2025 as a result of the impact of a voluntary recall of specific lots of hormone pellets shipped by Asteria Health. We could see a potential near-term impact to gross margin if our product mix includes more third-party manufacturing. Our long-term goal is to meet customer needs through our Asteria site.

Excluding this charge, gross margin reflected the benefit of efficiencies gained from vertical integration of our 503B manufacturing facility and effective cost management. Selling, general, and administrative expenses decreased 25.1% to \$24.7 million. The decrease reflected lower legal expense and a temporary decrease in headcount.

Net income was \$2.6 million and diluted earnings per share attributed to Biote Corp stockholders was \$0.06, compared to net income of \$3.5 million and diluted earnings per share attributed to Biote Corp stockholders of \$0.10. Net income for the fourth quarter of 2025 included a gain of \$1.2 million due to changes in the fair value of the earn-out liabilities. Net income for the fourth quarter of 2024 included a loss of \$0.8 million due to changes in the fair value of the earn-out liabilities.

Adjusted EBITDA decreased to \$11.7 million with an adjusted EBITDA margin of 25.2%. This compares to adjusted EBITDA of \$15.1 million and adjusted EBITDA margin of 30.3%. Both adjusted EBITDA and adjusted EBITDA margin decreased due to lower sales and reduced gross profit, partially offset by lower operating expenses as a result of our sales reorganization. For the 2025-year, cash flow from operations was \$35.2 million. As of December 31, 2025, cash and cash equivalents were \$24.1 million.

Now turning to our financial outlook for 2026. As previously mentioned, we anticipate investing to advance our sales and technology capabilities. While this planned investment will cause a step-up in operating expenses in the near term, we expect the benefit will be evidenced by an improvement in our procedure revenue expected to start in the second half of 2026.

With respect to our 2026 revenue guidance, year-on-year procedure revenue is expected to decrease at a mid to high single-digit percentage rate in the first half of 2026, which includes a potential revenue and profit impact related to the recall. We anticipate an expected return to year-on-year procedure growth in the second half of 2026. Dietary supplement revenue is expected to grow at a mid to high single-digit rate from 2025. Overall, we forecast 2026 revenues above \$190 million and adjusted EBITDA of greater than \$38 million.

I'll now turn the call back to Bret for his closing remarks.

Bret Christensen

Thanks, Bob. I'm pleased with the progress the entire Biote team has achieved in the past year. We laid much of the foundational groundwork that I believe will enable us to drive a higher and more consistent level of financial performance. Our planned investments in 2026 represent a key inflection point for Biote that I believe are essential to effectively address our large market opportunity and build long-term sustainable shareholder value.

Operator, let's now open the call for questions.

QUESTION AND ANSWER

Operator

Thank you. We will now begin the question-and-answer session. To ask a question, you may press "*" then "1" on your touchtone phone. If you are using a speakerphone, please pickup your handset before pressing the keys. If at any time your question has been addressed and you would like to withdraw your question please press "*" and then "2." At this time, we will pause momentarily to assemble our roster.

The first question will come from Les Sulewski with Truist Securities. Please go ahead.

Jeevan Larson

Hey, this is Jeevan on for Les. Thanks for taking our questions. What is your take on the FDA's removal of black box warnings for certain HRTs and maybe how this could potentially impact

demand? And then also for the voluntary recall, can you elaborate on any FDA feedback and whether you see this event changing the regulatory bar or competitive dynamics in the space?

Bret Christensen

Yes. Hi, this is Bret. Thanks for the question. First, on the black box warning that was removed now really almost just a little less than a year ago, that along with the entire talk track of the FDA seems to be a positive tailwind for us and others. It is a good sign that finally hormone optimization is getting recognized as a great option. It's always been a good option for men, and women are getting the attention that they deserve as there are still no FDA-approved options for women for testosterone therapy. So all-in-all, it is a great thing for us. It reinforces what we have known, that there is no harm that comes from testosterone and a tremendous amount of benefit that patients can get through different modalities of HRT. So it is a good thing. We look for continued support from clinicians and patients alike for awareness.

As far as the recall goes, as you know, at the end of January, we announced a partial recall, a voluntary recall that we are doing just out of an abundance of caution, working hand-in-hand with the FDA. So the feedback has been good. We are working hand-in-hand with the FDA on almost everything that we do. So communication to our customers, taking the product back, refilling those orders, all of that has been done in planning with the FDA. So we are in lockstep with their guidance in this entire recall. Our customers have been responsive, and we are happy with where we are at so far.

Operator

The next question will come from Kaitlyn Korich with Jefferies. Please go ahead.

Kaitlyn Korich

Hi, everyone. Good evening. Thanks for taking my question. I just wanted to drill into the procedure revenue growth in the first half, and is it purely the number of procedures that will be down, while the number of practitioners are ticking higher, or is there also some element of promos or discounting that we should be considering? Any color there, and also, if anything has changed in the competitive environment would be helpful. Thank you.

Bret Christensen

Yes. Hi, Kaitlyn. This is Bret. I will start with that, and then Bob can add some specifics. Throughout last year, we highlighted an increase in attrition. And for us, when we talk about attrition, we are talking about practitioner and clinic attrition. And so, while that has been stable for us for years at around 5%, last year, we highlighted that that accelerated to high-single-digits. And so, that's where we have exited the year in 2024. The lower volume that we are highlighting in 2026 in the first half until we return to growth in the second half really is just that same attrition that we've experienced at a higher rate in the past. Remember, with an annuity model, we live with that attrition for 12 months. So attrition was higher last year, and mostly that was clinic attrition, which does mean lower volumes. So that's where we exited the year. We anticipate that will change this year and we will return to growth in the second half through volume growth. But the majority of that lower procedure revenue was volume.

Bob Peterson

That's right. And I think the only other thing to add there is, as Bret mentioned, we are in the process now of watching some of those new customers that are coming in the door. And wanting to see, he highlighted in the remarks that trainings were full. We will need to continue to watch those individuals to make sure that they are productive and start quickly. And I can't

stress enough, we're about a month and a half into the recall, and we just want to continue to monitor the impacts there also. So I think that gives a little bit of additional color.

Kaitlyn Korich

Got it. Thank you.

Operator

The next question will come from George Kelly with ROTH Capital Partners. Please go ahead.

George Kelly

Hi, everyone. Thanks for taking the questions. I guess first, maybe as a follow-up on the prior question. Do you anticipate procedure revenue to decline...sequential procedure revenue to decline in 1Q versus 4Q? I'm just wondering if you've seen it kind of stabilize here or perhaps even seen an improvement in procedure revenue so far in 2026 versus how you ended 2025?

Bret Christensen

Yes, George, let me start with that. Bob can give a little color on that, what we expect sequentially. We're guiding for the year, as you know, but maybe we can give you a little bit of color on how that plays out. Just as a follow-up to the last question, as you said, the attrition was higher last year, and new starts were also lower last year. So our net new customers was lower than it typically is. Attrition was higher. That all led to volume declines. We do watch that very closely, as you can imagine, even daily volumes.

And I'll say while we haven't really called a bottom here, we definitely saw attrition start to subside and flatten out throughout the end of last year. I'm happy with where we're at, and it's why we got comfortable with the sales force expansion. You remember, last year was a transition year for us. It was about establishing a solid foundation, a much better commercial organization that we knew could be effective. As we know, there's a huge TAM that we want to build on, and it's why we are comfortable now doing sales force expansion and making that investment because we do see line of sight to growth that starts in the second half of this year.

And so, Bob, I don't know if you want to give any more color on how that plays out throughout the year.

Bob Peterson

Yes, the only thing I would add, George, just on the front half, we expect to see the beginnings of stabilized attrition, given the efforts of our commercial team to retain customers through our selective ASP reductions. And as Bret mentioned just a second ago, as we continue to watch attrition and as we continue to watch these new customer growth figures at the beginning of the year, that'll be a good telltale sign for the future. But again, I would just highlight again, as I said on the last comment, we're going have to continue to monitor just to make sure that there aren't any material impacts given the recall.

George Kelly

Okay. And then second question from me on your EBITDA guide. I'm still kind of unclear, I was hoping you could just bridge the '25 to '26 EBITDA number, it's down about \$15 million on kind of flattish revenues. And so, just given the investments you listed, I'm struggling to get to \$15 million of incremental spend. So maybe it's really a...pricing is a big factor there, or is there anything else you could highlight to help me understand that \$15 million step down?

Bret Christensen

Yes. Thanks, George. Let me give a high level of what it means, and Bob can give some specifics. So as you said, it really is twofold. And all of investments we're making in 2026 relative to 2025 are with a goal to drive that top-line number higher. And so, they are all growth investments in 2025. The majority of it is headcount, and specifically the commercial organization. So while we went from around 60 territories when I started in February of last year, scaled to 90 through expansion, got to probably about 100 by the end of the year, and then we've announced again we're going to expand even further and with a goal to get to 120 by the end of Q1.

So what that really means is, although this is a 33% announcement of a new sales force expansion, really, the vacancy rates last year were much higher. And so, there's a big amount of that EBITDA change in both the new sales force investment in 2026 but also filling those vacancies from 2025. And then on top of that, we are investing in our systems to make the Biote experience better for our customers so that we can grow revenue as well.

Bob, you can give some additional color.

Bob Peterson

Yes. George, and I think this will give you a little bit of the guide that you're looking for. So as Bret mentioned, we've got the two different buckets of investments in 2026. One specifically related to the new sales talent, the other one related to the investments in our tech platform. To reach our planned headcount and our additional investments in regional training and all the other costs that go along with that to drive and support new practitioner growth, we are seeing investments in direct selling and commercial heads as our primary expense, as Bret mentioned. We're deploying over \$10 million of expense on personnel to drive sales and sales-related activities. To dive into that a little bit deeper, we're spending not only on sales reps, regional managers, and to manage those sales reps, but also expanding in other key areas. Specifically, we've developed a floater rep structure and an inside sales team that can help support growth.

Just to give a little bit more color, specifically around the expense side, when you think about how much of this expense, about a third of this expense is related to the full year impact of people hired in the second half of 2025. So as you think bigger picture, that kind of gives a little bit more context into the spends, as Bret mentioned, the lion's share of that amount. Additionally, we are investing in the tech platform. Clearly, that is to enhance the capabilities and drive an improved practitioner experience. The remaining expense that you're referring to is really to try to drive these systems, which will provide a stronger value proposition to our overall practitioners. Yes, so that, I think, that gives a little bit of an overview of the expense.

George Kelly

Okay. That's helpful. Thank you.

Operator

The next question will come from Jeff Van Sinderen with B. Riley. Please go ahead.

Jeff Van Sinderen

Hi, everyone. Just to follow up on kind of the last thought on investing in the tech platform, what areas have you identified that you want to boost? In other words, what are you working on in terms of the tech platform initiatives to make the experience better for your customers?

Bret Christensen

Hi, Jeff. Yes, essentially, it's all around the customer, the practitioner experience. And we know that our products are really important to our customers. Our sales personnel and the support that we provide in the field is really important. Our training and education has been world-class and very important. Our systems, although substantial and good, are not as good as they could be. And just like anything that we do in today's world, the technology that we use is paramount to our experience. And so, we view this as an opportunity to improve those systems, but it will be a really continuous improvement for us as we go into the future with our customers. We want to make sure that our systems make their job easier. If we're making their job easier, it means they can serve patients better with our products. And we just identified some gaps that when we talk to our customers that we can fix. We'll share more about that as we get closer to launching some of those products. But essentially, the stronger the user experience is for us, the better our retention of customers is, and we think the better utilization of our products and better serving patients are. So that's an investment that we want to make this year to better serve those customers.

Jeff Van Sinderen

Have you engaged an outside organization to make those changes to the system, or is that something you're doing internally?

Bret Christensen

A little bit of both, Jeff. So we do have a strong internal team that's capable of doing some development, but we are going to outsource some of that work as well.

Jeff Van Sinderen

Okay. And then maybe just, I guess I'm trying to get a better sense of the quarterly cadence. I know you're anticipating second half to improve, but I guess just for Q1, I'm wondering, I know you talked about a number of different things. But for Q1, what sort of level of sales decline do you think we're looking at? It sounds like it might be similar to Q4, but I want to get your thoughts on that. And then gross margin and OPEX I guess, for Q1. Any color you can give us there would be helpful.

Bob Peterson

Yes. So, hey Jeff, it's Bob. So looking at what we're trying to get accomplished, it's fairly similar to the discussion that we had with George. I mean our goal in Q1 is really to monitor and start to see the benefits that we can drive from new customers and really start to see that attrition stabilize and move in the right direction. I think the other key for Q1, as we told George too, is just continuing to monitor any potential impacts on the recall. I would just say on gross margins, our strategy really hasn't changed for the full year. We continue to see efficiency gains from the Asteria integration and the shift to Amazon in our e-commerce space still showing solid returns on margin.

I would say that we expect to grow our margin throughout the year based on serving more people through Asteria. That said, we are keeping a watchful eye out in the near term to ensure that Asteria can continue to build inventories so that we can meet customer needs. So in the short term, we're really focused on getting back up to the inventory levels we want to be at so that we can really start that process of growing margin further in the future. I don't know, Bret, anything if you wanted to add?

Bret Christensen

No, Jeff, I just think of the year is progressing, as we go along. And that probably makes perfect sense considering where we exited 2025. These full training classes that we referenced are going to be very important to growing new customers and growing our patient base. And sales force expansion, which we have started is not complete. So we look to the end of Q1 to be fully staffed. So that's going to be another driver that will accelerate volumes throughout the year. But it will be a steady improvement throughout the year until we exit.

Jeff Van Sinderen

Okay. And then how much of your pellet supply is going through Asteria at this point? Obviously, keeping in mind the recall. Why might there be an issue ramping Asteria production since you're watching that and getting inventory back to the levels you want to. Maybe you can just touch on a target or a time frame around that?

Bob Peterson

Sure. So as it stands right now, we have seen a little bit of a decline, as we've mentioned in the prepared remarks, a little bit of a decline from where we exited last quarter. So we are about 50:50 on overall pellets being used from Asteria versus other providers. I think the big thing, just...whenever you have a recall like this, and you take a slug of inventory off the market, you just have to double time to make sure that you can produce that inventory. We're doing a good job of doing that, but it does take some time to get back up to more normalized levels where you feel really comfortable starting to convert again. So I would just say at this point, the automation that we put at the site, the work that we've done is paying dividends. It's just, it's a matter of a little bit of time to pass so that we can get back up to targeted inventory levels.

Jeff Van Sinderen

Okay. So you said you're about 50:50 now. Where were you...what was the peak running through Asteria last year?

Bob Peterson

Well, we got to about 54%, I think we highlighted 54% at the end of Q3.

Jeff Van Sinderen

Peak was 54%. And then time frame to get back to that 54%, is that a Q1 thing? Is that a Q2 thing? What percentage do you want to get to by the end of the year?

Bob Peterson

Yes. Look, I mean, we haven't highlighted a specific percentage, but we would like to take a little bit more share. But at the end of the day, our goal is as soon as we can, we will. And our goal is to get up, get the inventories back up here in the short term, monitoring that closely, and then so that we can actually meet the demand of customers and then start the conversion process again. So time will tell on how quickly we get up to that point. But I think we're showing good signs of production at the site. So more to come.

Jeff Van Sinderen

Okay. And then just, I guess, anything else you can add that gives you confidence in getting the underlying KPIs to inflect in the second half?

Bob Peterson

Yes, I think, the biggest thing, and I would just say, we continue to execute against our strategy as Bret has laid out. I think we've built the infrastructure. Now, we're enabling this investment. You know that it takes about six to nine months for a rep to get on board and become fully

effective. And as we continue to manage that attrition rate and with some of the limited pricing concessions, selective pricing concessions that we've done, we do expect to see that gradual improvement. I would also say that the investments should mitigate attrition also and grow our new customer base. And I think we're also installing the right layers of accountability throughout the organization, as Bret mentioned. So I don't know, Bret, if you want to add.

Bret Christensen

Yes, Jeff, I mean if you remember last year, we said one of the first things we would see is full training classes too. So I can't tell you how happy I am that those have been full and full really since November with no line of sight into them not being full. So and we have more salespeople coming on board. So we're adding training classes and filling that capacity, but that's step one. Now, we need people to leave those training classes and go be productive and do procedures and order nutras and really practice what we taught them. And so, that's the next thing we're going to be watching from those training classes is how effective and productive are those customers coming out of training. But that is a tremendously good sign for us.

And we know, as Bob said, it does take six to nine months for salespeople to really start to make a difference to our top line. And so, we look forward to that to filling those openings and having a fully staffed and improved and enlarged sales force this year. So all those drivers get me really excited about what we can do with volumes this year. And of course, we've got to make sure that attrition does come down. We got early signs that we are happy about, but too early to say we've got trends there. So all-in-all, volumes, there's reason to be optimistic, but we've got to execute still.

Jeff Van Sinderen

Okay. Thanks for taking my questions.

Operator

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

CONCLUSION

Bret Christensen

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

Operator

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