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DELTA REPORT

10-Q

BTMD - BIOTE CORP.

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2730
CHANGES	177
DELETIONS	1148
ADDITIONS	1405

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, March 31, 2023 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______________ to ______________

Commission File Number: 001-40128

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biote Corp.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**85-1791125**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1875 W. Walnut Hill Ln #100	
Irving, TX	**75038**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (844) 604-1246

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.0001 per share	BTMD	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐		
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 9, 2023 May 7, 2024, the registrant had 33,940,353 30,320,599 shares of Class A common stock, $0.0001 par value per share, outstanding and 38,819,066 31,715,880 shares of Class V voting stock, $0.0001 par value per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements. These forward-looking statements relate to expectations for future financial performance, business strategies, or expectations for within the

Company's business. These forward-looking meaning of the Private Securities Litigation Reform Act of 1995. All statements include, but are not limited to, other than statements regarding the Company's or its management team's expectations, hopes, beliefs, intentions, or strategies regarding the future. In addition, any statements that refer to projections, forecasts, or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The forward-looking statements are historical facts contained principally in the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this Quarterly Report. Report may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "can," "should," "will," "estimate," "plan," "project," "forecast," "intend," "expect," "hope," "anticipate," "believe," "seek," "target, "can," "continue," "could," "estimate," "expect," "forecast," "hope," "intend," "may," "might," "ongoing," "plan," "potential," "predict," "project," "seek," "should," "target," "will," "would" or the negative of these terms or other similar terms or expressions. Forward-looking statements contained in this Quarterly Report include, but are not limited to statements regarding biote Corp.'s future results of operations and financial position, industry and business trends, business strategy, plans, market growth and management's expectations, hopes, beliefs, intentions, or strategies regarding the future.

These forward-looking statements are based on information available as of the date of this Quarterly Report, and our management's current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing the Company's views as of any subsequent date. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

You should not place undue reliance on these forward-looking statements. As a result of a number of known and unknown risks and uncertainties, the Company's actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Some factors that could cause actual results to differ include:

- the success of our dietary supplements to attain significant market acceptance among clinics, practitioners and the patients;
- our customers' reliance on certain third parties to support the manufacturing of bio-identical hormones for prescrib
- our and our customers' sensitive sensitivity to regulatory, economic, environmental and competitive conditions in certain geographic regions;
- our ability to increase the use by practitioners and clinics of the Biote Method at the rate that we anticipate or at all
- our ability to grow our business;
- the significant competition we face in our industry;
- our limited operating history;
- our ability to protect our intellectual property;
- the heavy regulatory oversight in our industry;
- changes in applicable laws or regulations;
- the inability to profitably expand in existing markets and into new markets;

- the possibility that we may be adversely impacted by other economic, business and/or competitive factors;
- future exchange and interest rates; and
- other risks and uncertainties indicated in this Quarterly Report, including those under “Risk Factors” herein, and ot filings the Company has made, or will make, with the Securities and Exchange Commission (the “SEC”).

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with Part I, Item 1A, 1A. “Risk Factors”, in our the Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 (the “Annual Report” “2023 Form 10-K”), filed with the SEC on March 15, 2024, this Quarterly Report and Part II, Item 1A in the documents referenced within this Quarterly Report and the other cautionary statements that are included elsewhere in this Quarterly Report and in our public filings, including under “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Any forward-looking statement made by us speaks only as of the date on which we make it. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by law.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

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biote Corp.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share amounts) (Unaudited)

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Assets				
Current assets:				

Cash and cash equivalents	65 ,5 $ 75	79 ,2 $ 31	$ 78,787	$ 89,002
Short-term investment	20 ,0 00	—		
Accounts receivable, net	10 ,1 77	6, 94 8	8,022	6,809
Inventory, net	11 ,0 78	11 ,1 83	18,917	17,307
Other current assets	10 ,9 23	3, 81 6	8,635	9,225
Total current assets	11 7, 75 3	10 1, 17 8	114,361	122,343
Property and equipment, net	1, 35 3	1, 50 4	2,191	1,218
Capitalized software, net	5, 44 9	5, 07 3	4,930	4,973
Goodwill			5,525	—
Intangible assets, net			6,015	—
Operating lease right-of-use assets	1, 95 3	2, 05 2	2,202	1,877
Deferred tax asset	23 ,2 41	1, 83 8	24,884	24,884
Total assets	14 9, 74 $ 9	11 1, 64 $ 5	$ 160,108	$ 155,295

Liabilities and Stockholders’ Deficit				
Current liabilities:				
Accounts payable	$ 5,694	$ 4,112	$ 4,196	$ 4,155
Accrued expenses	10,279	6,274	9,729	8,497
Term loan, current	6,250	6,250	6,250	6,250
Deferred revenue, current	2,562	1,965	2,876	3,002
Earnout liabilities, current			600	—
Operating lease liabilities, current	298	165	406	311
Total current liabilities	25,083	18,766	24,057	22,215
Term loan, net of current portion	107,990	112,086	105,270	106,630
Deferred revenue, net of current portion	1,182	926	1,426	1,322
Operating lease liabilities, net of current portion	1,761	1,927	1,917	1,680
TRA liability	18,528	—	18,894	18,894
Warrant liability	—	4,104		

Earnout liability	46,470	32,110		
Earnout liabilities, net of current portion			53,444	41,100
Total liabilities	201,014	169,919	205,008	191,841
Commitments and contingencies (See Note 18)				
Commitments and contingencies (See Note 19)				
Stockholders’ Deficit				
Preferred stock, $0.0001 par value, 10,000,000 shares authorized; no shares issued or outstanding as of September 30, 2023 and December 31, 2022	—	—		
Class A common stock, $0.0001 par value, 600,000,000 shares authorized; 33,940,353 and 11,242,887 shares issued, 35,527,853 and 9,655,387 shares outstanding as of September 30, 2023 and December 31, 2022, respectively	3	1		
Class V voting stock, $0.0001 par value, 100,000,000 shares authorized; 38,819,066 and 58,565,824 shares issued, 28,819,066 and 48,565,824 shares outstanding as of September 30, 2023 and December 31, 2022, respectively	3	5		
Preferred stock, $0.0001 par value, 10,000,000 shares authorized; no shares issued or outstanding as of March 31, 2024 and December 31, 2023			—	—
Class A common stock, $0.0001 par value, 600,000,000 shares authorized; 35,651,732, and 35,842,383 shares issued, 34,064,232 and 34,254,883 shares outstanding as of March 31, 2024 and December 31, 2023, respectively			3	3
Class V voting stock, $0.0001 par value, 100,000,000 shares authorized; 38,819,066 and 38,819,066 shares issued, 28,819,066 and 28,819,066 shares outstanding as of March 31, 2024 and December 31, 2023, respectively			3	3
Additional paid-in capital	—	—	—	—

Accumulated deficit	(40,522)	(44,460)	(31,303)	(29,391)
Accumulated other comprehensive loss	(13)	(5)	(14)	(12)
Treasury stock, at cost			(4,088)	—
biote Corp.’s stockholders’ deficit	(40,529)	(44,459)	(35,399)	(29,397)
Noncontrolling interest	(10,736)	(13,815)	(9,501)	(7,149)
Total stockholders’ deficit	(51,265)	(58,274)	(44,900)	(36,546)
Total liabilities and stockholders’ deficit	$ 149,749	$ 111,645	$ 160,108	$ 155,295

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

biote Corp.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(in thousands, except share and per share amounts) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Revenue:						
Product revenue	$ 44,831	$ 41,574	$ 137,638	$ 119,121	$ 46,035	$ 44,155
Service revenue	726	396	2,019	1,351	769	688
Total revenue	45,557	41,970	139,657	120,472	46,804	44,843
Cost of revenue						
Cost of products	13,070	12,750	41,089	37,391	12,802	13,027
Cost of services	1,097	587	2,783	1,760	565	850
Cost of revenue	14,167	13,337	43,872	39,151	13,367	13,877
Selling, general and administrative	23,791	20,818	72,636	149,346	23,010	23,085
Income (loss) from operations	7,599	7,815	23,149	(68,025)		
Income from operations					10,427	7,881
Other income (expense), net:						
Interest expense, net	(1,530)	(1,408)	(4,821)	(2,478)	(1,660)	(1,646)
Gain (loss) from change in fair value of warrant liability	—	1,153	(13,411)	4,552		
Gain (loss) from change in fair value of earnout liability	17,450	(6,840)	(14,360)	54,840		
Loss from extinguishment of debt	—	—	—	(445)		
Loss from change in fair value of warrant liability					—	(1,618)
Loss from change in fair value of earnout liability					(12,089)	(25,410)

Other income (expense)	(3)	8	(14)	23	(2)	(7)
Total other income (expense), net	15,917	(7,087)	(32,606)	56,492	(13,751)	(28,681)
Income (loss) before provision for income taxes	23,516	728	(9,457)	(11,533)		
Income tax expense (benefit)	3,874	234	5,426	(48)		
Net income (loss)	19,642	494	(14,883)	(11,485)		
Less: Net income (loss) attributable to noncontrolling interest	12,112	479	(10,465)	(8,894)		
Net income (loss) attributable to biote Corp. stockholders	$ 7,530	$ 15	$ (4,418)	$ (2,591)		
Loss before provision for income taxes					(3,324)	(20,800)
Income tax expense					2,486	630
Net Loss					(5,810)	(21,430)
Less: Net loss attributable to noncontrolling interest					(3,740)	(14,625)
Net loss attributable to biote Corp. stockholders					$ (2,070)	$ (6,805)
Other comprehensive income (loss):						
Foreign currency translation adjustments	8	(1)	8	—	(1)	—
Other comprehensive income (loss)	8	(1)	8	—	(1)	—
Comprehensive income (loss)	$ 19,650	$ 493	$ (14,875)	$ (11,485)	$ (5,811)	$ (21,430)
Net income (loss) per common share						
Net loss per common share						

Basic	$ 0.25	$ 0.00	$ (0.19)	$ (0.34)	$ (0.06)	$ (0.39)
Diluted	$ 0.24	$ 0.00	$ (0.19)	$ (0.34)	$ (0.06)	$ (0.39)
Weighted average common shares outstanding						
Basic	30,334,193	7,605,031	22,921,401	7,596,379	34,621,166	17,585,045
Diluted	31,041,245	7,605,031	22,921,401	7,596,379	34,621,166	17,585,045

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

biote Corp.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands, except share amounts) (Unaudited)

	Class A Common Stock		Class V Voting Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	Total Stockholders' Deficit Attributable to biote	Non-controlling	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Loss	Corp.	Interest	Deficit
Balance at December 31, 2022	9,655,387	$ 1	48,565,824	$ 5	$ —	$ (44,460)	$ (5)	$ (44,459)	$ (13,815)	$ (58,274)
Distributions	—	—	—	—	—	—	—	—	(3,093)	(3,093)

Net loss	—	—	—	—	—	(6,805)	—	(6,805)	(14,625)	(21,430)
Other comprehensive income	—	—	—	—	—	—	—	—	1	1
Share-based compensation	—	—	—	—	—	2,170	—	2,170	—	2,170
Vesting of RSUs	426,208	—	—	—	—	1,915	(4)	1,911	(1,911)	—
Exercise of stock options	105,049	—	—	—	—	2,043	(3)	2,040	(1,620)	420
Litigation settlement	375,000	—	—	—	—	1,199	—	1,199	—	1,199
Exchanges of Class V voting stock	7,953,258	1	(7,953,258)	(1)	—	208	—	208	(208)	—
TRA liability	—	—	—	—	—	(4,802)	—	(4,802)	—	(4,802)
Balance at March 31, 2023	18,514,902	2	40,612,566	4	—	(48,532)	(12)	(48,538)	(35,271)	(83,809)
Distributions	—	—	—	—	—	—	—	—	(3,495)	(3,495)
Net loss	—	—	—	—	—	(5,143)	—	(5,143)	(7,952)	(13,095)
Other comprehensive loss	—	—	—	—	—	—	—	—	(1)	(1)
Share-based compensation	—	—	—	—	—	2,647	—	2,647	—	2,647
Vesting of RSUs	326,261	—	—	—	—	(3,932)	(1)	(3,933)	3,933	—
Settlement of warrants	3,088,473	—	—	—	—	15,986	(1)	15,985	1,530	17,515
Exchanges of Class V voting stock	5,793,500	1	(5,793,500)	(1)	—	(14,419)	(4)	(14,423)	14,423	—
TRA liability	—	—	—	—	—	7,000	—	7,000	—	7,000
Balance at June 30, 2023	27,723,136	3	34,819,066	3	—	(46,393)	(18)	(46,405)	(26,833)	(73,238)
Distributions	—	—	—	—	—	—	—	—	(1,000)	(1,000)
Net income	—	—	—	—	—	7,530	—	7,530	12,112	19,642
Other comprehensive income	—	—	—	—	—	—	8	8	9	17
Share-based compensation	—	—	—	—	—	2,243	—	2,243	—	2,243
Vesting of RSUs	217,217	—	—	—	—	(1,730)	(1)	(1,731)	1,731	—
Exchanges of Class V voting stock	6,000,000	—	(6,000,000)	—	—	(3,244)	(2)	(3,246)	3,245	(1)

	Class A Common Stock		Class V Voting Stock		Additional	Accumulated	Accumulated Other Comprehensive	Treasury	Total Stockholders' Deficit Attributable to biote Corp.	Non-controlling	Total Stockholders'
	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Loss	Stock		Interest	Deficit
TRA liability	—	—	—	—	—	1,072	—		1,072	—	1,072
Balance at September 30, 2023	33,940,353	$ 3	28,819,066	$ 3	$ —	$ (40,522)	$ (13)		$ (40,529)	$ (10,736)	$ (51,265)
Balance at December 31, 2023	34,254,883	$ 3	28,819,066	$ 3	$ —	$ (29,391)	$ (12)	$ —	$ (29,397)	$ (7,149)	$ (36,546)
Distributions	—	—	—	—	—	—	—	—	—	(2,112)	(2,112)
Net loss	—	—	—	—	—	(2,070)	—	—	(2,070)	(3,740)	(5,810)
Other comprehensive income (loss)	—	—	—	—	—	—	(2)	—	(2)	(3)	(5)
Share-based compensation	—	—	—	—	—	1,763	—	—	1,763	—	1,763
Vesting of RSUs	177,843	—	—	—	—	(155)	—	—	(155)	155	—
Exercise of stock options	80,598	—	—	—	—	(1,831)	—	—	(1,831)	2,155	324
Common stock repurchased	(740,921)	—	—	—	—	—	—	(4,088)	(4,088)	—	(4,088)
Shares issued in connection with acquisition	291,829	—	—	—	—	381	—	—	381	1,193	1,574
Balance at March 31, 2024	34,064,232	$ 3	28,819,066	$ 3	$ —	$ (31,303)	$ (14)	$ (4,088)	$ (35,399)	$ (9,501)	$ (44,900)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

biote Corp.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands, except share amounts) (Unaudited)

	Members' Equity		Class A Common Stock		Class V Voting Stock		Additional Paid-in	Retained Earnings / (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit) Attributable to biote Corp.	Non-controlling	Total Stockholders' Equity
	Units	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Capital**				**Interest**	**(Deficit)**
Balance at December 31, 2021	982,800	$ —	—	$ —	—	$ —	$ —	$ 4,165	$ (40)	$ 4,125	$ —	$ 4,125
Distributions	—	—	—	—	—	—	—	(2,735)	—	(2,735)	—	(2,735)
Net income	—	—	—	—	—	—	—	9,350	—	9,350	—	9,350
Other comprehensive income	—	—	—	—	—	—	—	—	6	6	—	6
Balance at March 31, 2022	982,800	$ —	—	—	—	—	—	10,780	(34)	10,746	—	10,746
Distributions	—	—	—	—	—	—	—	(6,840)	—	(6,840)	—	(6,840)
Net loss through May 26, 2022	—	—	—	—	—	—	—	(207)	—	(207)	—	(207)

Other comprehensive loss through May 26, 2022	—	—	—	—	—	—	—	—	(5)	(5)	—	(5)
Business Combination: Reverse recapitalization on May 26, 2022	(982,800)	—	7,574,271	1	48,565,824	5	—	(113,628)	—	(113,622)	—	(113,622)
Business Combination: Noncontrolling interest on May 26, 2022	—	—	—	—	—	—	—	3,619	34	3,653	(3,653)	—
Business Combination: Capitalized transaction costs	—	—	—	—	—	—	—	(12,282)	—	(12,282)	—	(12,282)
Share-based compensation	—	—	—	—	—	—	—	79,270	—	79,270	—	79,270
Settlement of phantom equity rights	—	—	—	—	—	—	—	(7,250)	—	(7,250)	—	(7,250)
Net loss after May 26, 2022	—	—	—	—	—	—	—	(2,606)	—	(2,606)	(18,516)	(21,122)
Balance at June 30, 2022	—	—	7,574,271	1	48,565,824	5	—	(49,144)	(5)	(49,143)	(22,169)	(71,312)
Distributions	—	—	—	—	—	—	—	—	—	—	(1,035)	(1,035)
Net income (loss)	—	—	—	—	—	—	—	15	—	15	479	494
Other comprehensive loss	—	—	—	—	—	—	—	—	(1)	(1)	(3)	(4)
Share-based compensation	—	—	—	—	—	—	—	746	—	746	—	746
Vesting of RSUs	—	—	699,887	—	—	—	—	—	—	—	—	—
Issuance of shares under SEPA	—	—	65,000	—	—	—	—	264	—	264	—	264
Balance at September 30, 2022	—	$ —	8,339,158	$ 1	48,565,824	$ 5	$ —	$ (48,119)	$ (6)	$ (48,119)	$ (22,728)	$ (70,847)

	Total
Accumulated	**Stockholders'**

	Class A Common Stock		Class V Voting Stock		Additional Paid-in	Accumulated	Other Comprehensive	Deficit Attributable to biote	Non-controlling	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Loss	Corp.	Interest	Deficit
Balance at December 31, 2022	9,655,387	$ 1	48,565,824	$ 5	$ —	$ (44,460)	$ (5)	$ (44,459)	$ (13,815)	$ (58,274)
Distributions	—	—	—	—	—	—	—	—	(3,093)	(3,093)
Net loss	—	—	—	—	—	(6,805)	—	(6,805)	(14,625)	(21,430)
Other comprehensive income	—	—	—	—	—	—	—	—	1	1
Share-based compensation	—	—	—	—	—	2,170	—	2,170	—	2,170
Vesting of RSUs	426,208	—	—	—	—	1,915	(4)	1,911	(1,911)	—
Exercise of stock options	105,049	—	—	—	—	2,043	(3)	2,040	(1,620)	420
Litigation settlement	375,000	—	—	—	—	1,199	—	1,199	—	1,199
Exchanges of Class V voting stock	7,953,258	1	(7,953,258)	(1)	—	208	—	208	(208)	—
TRA liability	—	—	—	—	—	(4,802)	—	(4,802)	—	(4,802)
Balance at March 31, 2023	18,514,902	$ 2	40,612,566	$ 4	$ —	$ (48,532)	$ (12)	$ (48,538)	$ (35,271)	$ (83,809)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

biote Corp.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands) (Unaudited)

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2024	2023
Operating Activities				
Net loss	$ (14,883)	$ (11,485)	$ (5,810)	$ (21,430)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization	1,484	1,644	750	538
Bad debt expense (recoveries)	624	(210)		
Bad debt expense			161	30
Amortization of debt issuance costs	591	392	202	195
(Benefit from) provision for obsolete inventory	(32)	80		
Provision for obsolete inventory			70	—
Non-cash lease expense	423	175	80	69
Shares issued in settlement of litigation	1,199	—	—	1,199
Non-cash sponsor share transfers	—	7,216		
Non-cash fees under SEPA	—	108		
Share-based compensation expense	7,060	80,016	1,763	2,170
(Gain) loss from change in fair value of warrant liability	13,411	(4,552)	—	1,618
(Gain) loss from change in fair value of earnout liability	14,360	(54,840)		
Loss from extinguishment of debt	—	445		
Loss from change in fair value of earnout liability			12,089	25,410
Deferred income taxes	394	(597)	—	103
Changes in operating assets and liabilities:				
Accounts receivable	(3,834)	(2,194)	(1,329)	(728)
Inventory	137	(646)	75	1,560
Other current assets	(7,118)	(3,999)	619	1,238
Accounts payable	1,582	4,476	(109)	857
Deferred revenue	853	344	(22)	205
Accrued expenses	4,005	(31,396)	(1,094)	(22)
Operating lease liabilities	(329)	(185)	(73)	(20)
Net cash provided by (used in) operating activities	19,927	(15,208)		

Net cash provided by operating activities			7,372	12,992
Investing Activities				
Purchases of short-term investments	(20,000)	—		
Purchases of property and equipment	(518)	(328)	(704)	(62)
Purchases of capitalized software	(1,191)	(1,199)	(350)	(318)
Acquisitions, net of cash acquired			(11,122)	—
Net cash used in investing activities	(21,709)	(1,527)	(12,176)	(380)
Financing Activities				
Proceeds from the business combination	—	12,282		
Repurchases of common stock			(4,088)	—
Principal repayments on term loan	(4,687)	(2,813)	(1,562)	(1,562)
Borrowings on term loan	—	125,000		
Extinguishment of Bank of America term loan	—	(36,250)		
Debt issuance costs	—	(4,036)		
Settlement of phantom equity rights	—	(7,250)		
Proceeds from exercise of stock options	420	—	324	420
Distributions	(7,588)	(10,610)	(83)	(3,093)
Capitalized transaction costs	—	(8,341)		
Proceeds from issuance of shares under SEPA	—	156		
SEPA transaction costs	—	(702)		
Net cash provided by (used in) financing activities	(11,855)	67,436		
Net cash used in financing activities			(5,409)	(4,235)
Effect of exchange rate changes on cash and cash equivalents	(19)	(6)	(2)	—
Net increase (decrease) in cash and cash equivalents	(13,656)	50,695	(10,215)	8,377
Cash and cash equivalents at beginning of period	79,231	26,766	89,002	79,231
Cash and cash equivalents at end of period	$ 65,575	$ 77,461	$ 78,787	$ 87,608
Supplemental Disclosure of Cash Flow Information				
Cash paid for interest	$ 7,022	$ 2,488	$ 2,230	$ 2,230
Cash paid for income taxes	$ 2,789	$ 111	$ 2	$ 2,232
Non-cash investing and financing activities				
Capital expenditures and capitalized software included in accounts payable	$ —	$ 122	$ 85	$ 94
Non-cash SEPA transaction costs	$ —	$ 108		

Shares issued to acquire Simpatra	$	1,574	$	—

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

biote Corp.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business—biote Corp. (inclusive of its consolidated subsidiaries, the “Company” or “Biote”) is a Delaware incorporated company headquartered in Irving, Texas. The Company was founded in 2012 and trains physicians and nurse practitioners in hormone optimization using bio-identical hormone replacement pellet therapy in men and women experiencing hormonal imbalance.

Basis of Presentation—The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial reporting and therefore do not include all information and disclosures normally included in the annual consolidated financial statements. The condensed consolidated financial statements include the accounts of Biote and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The Company recognizes noncontrolling interest related to its less-than-wholly-owned subsidiary as equity in the condensed consolidated financial statements separate from the parent entity’s equity. The net loss attributable to noncontrolling interest is included in net income in the condensed consolidated statements of income and comprehensive income (loss).

Unaudited Interim Financial Information—In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of its financial position and its results of operations, changes in stockholders’ equity (deficit) and cash flows. The condensed consolidated balance sheet as of December 31, 2022 was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements. The accompanying condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the related notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2022.

Business Combination—On May 26, 2022 (the “Closing Date”), BioTE Holdings, LLC (“Holdings,” inclusive of its direct and indirect subsidiaries, the “BioTE Companies,” and as to its members, the “Members”) completed a series of transactions (the “Business Combination”) with Haymaker Acquisition Corp. III (“Haymaker”), Haymaker Sponsor III LLC (the “Sponsor”), BioTE Management, LLC, Dr. Gary S. Donovitz, in his individual capacity, and Teresa S. Weber, in her capacity as the Members’ representative (in such capacity, the “Members’ Representative”) pursuant to the business combination agreement (the “Business Combination Agreement”) dated December 13, 2021 (the “Closing”), which is discussed in more detail in Note 3. . As a result of the Business Combination, Haymaker was renamed “biote Corp.”

Basis of Presentation—The Business Combination was accounted for as a common control transaction, unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP. Under this method GAAP”) for interim financial reporting and therefore do not include all information and disclosures normally included in the annual consolidated financial statements. The unaudited condensed consolidated financial statements include the accounts of accounting, Haymaker’s acquisition Biote and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The Company reclassified interest income from other income (expense) to interest expense, net in its unaudited condensed consolidated statement of the BioTE Companies was accounted for at their historical carrying values, operations and the BioTE Companies were deemed the predecessor entity. This method of accounting is similar to a reverse recapitalization whereby the Business Combination was treated as the equivalent of the BioTE Companies issuing stock comprehensive income (loss) for the three months ended March 31, 2023, to conform with the current year presentation. This reclassification had no impact on net assets of Haymaker, accompanied by a recapitalization. The net assets of Haymaker are stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to loss for the Business Combination are those of the BioTE Companies. three months ended March 31, 2023.

Following **Unaudited Interim Financial Information**—In the Closing of the Business Combination, the Company is organized in an Up-C structure in which the business opinion of the Company, is operated by Holdings and its subsidiaries, and Biote’s only material direct asset consists of equity interests in Holdings. The the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of Holdings only normal recurring adjustments, necessary for a fair presentation of its financial position and its subsidiaries have been determined to results of operations, changes in stockholders’ equity (deficit) and cash flows. The unaudited condensed consolidated balance sheet as of December 31, 2023, was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements. The accompanying unaudited condensed consolidated financial statements and related financial information should be read in conjunction with the predecessor for accounting audited consolidated financial statements and reporting purposes for the period prior to related notes thereto included in the Business Combination. 2023 Form 10-K.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Company are set forth in Note 2 Summary of Significant Accounting Policies of Notes to Consolidated Financial Statements in the Company’s 2023 Form 10-K.

The selected significant accounting policies below include those that were added or modified during the three months ended March 31, 2024, as a result of the adoption of new accounting policies, and should be read in conjunction with the Company’s 2023 Form 10-K.

Use of Estimates—The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company regularly evaluates estimates and assumptions related to assets, liabilities, costs, expenses, contingent liabilities, share-based compensation and research and development costs. The Company bases its estimates and assumptions on historical experience and on various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

In the opinion of the Company, the accompanying condensed consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of its financial position and its results of operations, changes in stockholders' equity (deficit) and cash flows. The results of operations for the three and nine months ended September 30, 2023 March 31, 2024, are not necessarily indicative of the results that may be expected for the entire year.

Reclassification—The Company reclassified interest income from other income (expense) to interest expense, net in its condensed consolidated statement of income and comprehensive income (loss) for the three and nine months ended September 30, 2022 to

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conform with the current year presentation. This reclassification had no impact on net income for the three and nine months ended September 30, 2022.

Fair Value Measurements—The guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures* ("ASC 820"), defines fair value and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

See Note 12 for further detail.

Segment Information—Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is the chief executive officer. The

Company has, historically, had one business activity and there are were no segment managers who are were held accountable for operations, operating results, and plans for levels or components below the consolidated unit level. Accordingly, Due to the acquisition of a privately held 503B manufacturer of compounded bioidentical hormones on March 18, 2024, the Company has evaluated the guidance set forth in Accounting Standards Codification ("ASC") 280, *one Segment Reporting* operating segment ("ASC 280"), and therefore, one reportable segment.

Accounts Receivable concluded that the results of operations for the period between the acquisition date and Allowance March 31, 2024 related to this acquisition were not material to the unaudited condensed consolidated statements of operations and comprehensive income (loss) for Doubtful Accounts—Accounts receivable are recorded net the three months ended March 31, 2024 for purposes of allowances for doubtful accounts. segmentation. The Company uses expects to

evaluate the roll-rate method impact of the results of operations related to estimate current expected credit losses for this acquisition on its accounts receivable population.

Inventory—Inventory is carried at unaudited consolidated financial statements in subsequent periods and expand its disclosures in accordance with ASC 280 in the lower period in which the results of cost or net realizable value using the first-in, first-out ("FIFO") method. Inventory consists of bioidentical hormone pellets and dietary supplements. Bioidentical hormone pellets contain bioidentical testosterone or estrogen used to achieve hormone balance. Dietary supplements are high-grade supplements used to enhance pellet therapy. The Company reviews its inventory balances and writes down its inventory for estimated obsolescence or excess inventory equal this acquisition become material to the difference between the cost of inventory and the estimated net realizable value based upon assumptions about future demand and market conditions. Inventory write-downs are recorded within cost of goods sold. The Company recorded a reserve for obsolescence of inventory related to inventory which has expired. See Company's unaudited consolidated financial statements. Please see Note 5 3 for further details. detail.

Other Current Assets—Total other current assets consisted of the following:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Prepaid expenses	$ 3,112	$ 2,939	$ 3,464	$ 3,914
Advances	7,308	877	4,955	3,638
Income tax receivable			—	1,365
Other assets	503	—	216	308

Total other current assets	$	10,923	$	3,816	$	8,635	$	9,225

Prepaid expenses include software and technology licensing agreements, insurance premiums and other advance payments for services to be received over the next 12 months. Advances are comprised of deposit payments to vendors for inventory purchase orders to be received in the next 12 months. Other assets consist of interest earned, but not paid on the Company's short-term investment as well as on its money market account.

Impairment of Long-Lived Assets—Long-lived assets, such as property and equipment and capitalized software, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted future cash flows expected to result from the use and eventual disposition of the asset. The amount of impairment loss, if any, is measured as the difference between the carrying value of the asset and its estimated fair value. Fair value is determined through various valuation techniques, including discounted cash flow models, quoted market values, and third-party independent appraisals, as considered necessary. No impairment charges were recorded during the three and nine months ended September 30, 2023 and 2022.

Leases—At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present in the arrangement including the use of an identified asset and the Company's control over the use of that identified asset. The Company elected to not recognize leases with a lease term of one year or less on its balance sheet. Leases with a term greater than one year are recognized on the balance sheet as right-of-use ("ROU") assets and current and non-current lease liabilities, as applicable. As of September 30, 2023 and December 31, 2022, the Company did not have any financing leases.

Lease liabilities and their corresponding ROU assets are initially recorded based on the present value of lease payments over the expected remaining lease term. Certain adjustments to the ROU asset may be required for items such as incentives, prepaid lease

payments, or initial direct costs. When an option to extend the lease exists, a determination is made whether that option is reasonably certain of exercise based on economic factors present at the measurement date and as circumstances may change. Lease costs for operating leases are recognized on a straight-line basis over the lease term as an operating expense. Variable lease costs are expensed as incurred as an operating expense.

As the rates implicit in the Company's leases have not historically been readily determinable, the Company utilizes the appropriate incremental borrowing rate, which is the rate the Company would incur to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment over the lease term. To estimate the incremental borrowing rate, a credit rating applicable to the Company is estimated using a synthetic credit rating analysis since the Company does not currently have a rating agency-based credit rating.

In accordance with ASC 842, contracts containing a lease should be split into three categories: lease components, non-lease components, and activities or costs that do not transfer a distinct good or service ("non-components"). The fixed and in-substance fixed contract consideration (including any consideration related to non-components) must be allocated, based on the respective relative fair values, to the lease components and non-lease components.

Entities may elect not to separate lease and non-lease components. Accordingly, entities making this election would account for each lease component and related non-lease component together as a single lease component. The Company has elected to account for lease and non-lease components together as a single lease component for all underlying assets and allocate all of the contract consideration to the lease component only. See Note 15 for further details.

Income Taxes—The Company accounts for income taxes under the asset and liability method pursuant to ASC 740, *Income Taxes* (“ASC 740”). Under this method, the Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If the Company determines that it would be able to realize its deferred tax assets in the future in excess of their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying condensed consolidated statements of income and comprehensive income (loss).

Debt Issuance Costs—Costs incurred in connection with the issuance of the Company’s long-term debt have been recorded as a direct reduction of the debt and amortized over the life of the associated debt as a component of interest expense using the effective interest method.

Tax Receivable Agreement Liability—As more fully described in Note 3, the Company entered into a tax receivable agreement (the “TRA”) with certain selling equity holders of Holdings that requires the Company to pay 85% of the tax savings that are realized due to increases in the tax basis in Holdings’ assets. This increase results from the exchange of Retained Holdings Units and shares of Class V voting stock for shares of Class A common stock of Biote, as well as from tax benefits attributable to payments under the TRA. The Company will retain the benefit of the remaining 15% of the cash savings.

The Company calculated the fair value of the future payments to be made under the TRA at the time of the exchange and identified the timing of the utilization of the tax attributes pursuant to ASC 805, *Business Combinations*, and relevant tax laws. Interest will accrue on the TRA liability. In addition, under ASC 450, *Contingencies*, any transactions with Holdings' Members after the exchange date will result in additional TRA liabilities which will be recorded on a gross undiscounted basis.

The calculation of the TRA liability includes a significant amount of judgment related to the timing and amount of Retained Holdings Units and shares of Class V voting stock exchanged for shares of Class A common stock of Biote, forecasted operating results of Biote and anticipated interest rates used to accrue interest on the liability. If the Company's assumptions change or it experiences significant volatility in its forecasted operating results, the fair value calculated from period to period could be materially different.

Warrant Liabilities—The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and the applicable authoritative guidance in ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480") and ASC 815, *Derivatives and Hedging* ("ASC 815"). The assessment considers whether the warrants are

freestanding financial instruments and meet the definition of a liability pursuant to ASC 480. Additionally, the terms of the warrants are assessed to determine whether all of the requirements for equity classification under ASC 815 are met, including whether the warrants are indexed to the Company's own common stock, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded as a liability at their initial fair value on the date of issuance, and remeasured each balance sheet date thereafter. The Company's warrants did not meet the criteria for equity classification and were recorded as liabilities. Changes in the estimated fair value of the warrants are recognized as a non-cash gain or loss in the statements of income and comprehensive income (loss). See Note 10 for further detail.

Earnout Liability—In connection with the Business Combination, the Members and the Sponsor received shares that will vest upon the achievement of certain share price targets. The earnout shares are classified as a liability in the Company's condensed consolidated balance sheets because they do not qualify as being indexed to the Company's own stock. The earnout liability was initially measured at fair value at the Closing Date and subsequently remeasured at the end of each reporting period. The change in fair value of the earnout liability is recorded in the condensed consolidated statements of income and comprehensive income (loss). See Note 11 for further detail.

Stockholders' Deficit—Prior to consummation of the Business Combination, the Company's capital structure included voting units ("Class A"), non-voting units ("Class AA" and "AAA"), and non-voting incentive units ("Class AAAA"), with no limit to the number of units that may be issued. Class A units had 100% of the voting rights, and there is no par value assigned to any of the classes of units.

Pursuant to the Business Combination Agreement and immediately prior to the Business Combination's consummation, the Company effectuated a recapitalization whereby all Class A, Class AA, Class AAA and Class AAAA units held by Holdings' Members were converted into Class A Common Units.

The Company made operating distributions to Members of Holdings and taxing authorities on the Members' behalf totaling $7.6 million and $10.6 million during the nine months ended September 30, 2023 and 2022, respectively.

Standby Equity Purchase Agreement

On July 27, 2022, the Company entered into a Standby Equity Purchase Agreement (the "SEPA") with YA II PN, Ltd. ("Yorkville"). Yorkville is a fund managed by Yorkville Advisors Global, LP, headquartered in Mountainside, New Jersey.

The Company has the right, but not the obligation, from time to time at the Company's discretion until the first day of the month following the 36-month anniversary of the date of the SEPA (unless earlier terminated), to direct Yorkville to purchase a specified amount of shares of Class A common stock (each such sale, an "Advance") by delivering written notice to Yorkville (each, an "Advance Notice"). The shares of Class A common stock purchased pursuant to an Advance will be purchased at a price equal to 97.0% of the lowest daily VWAP of the Class A common stock during the three consecutive trading days commencing on the date of delivery of a given Advance Notice. "VWAP" means, for any trading day, the daily volume weighted average price of the Company's common stock for such date as reported by Bloomberg L.P. during regular trading hours.

While there is no mandatory minimum amount for any individual Advance, it may not exceed the greater of (i) an amount equal to thirty percent (30%) of the daily volume traded on the trading day immediately preceding an Advance Notice, or (ii) 1,000,000 shares of Class A common stock. No more than 5,000,000 shares of Class A common stock, including the Commitment Shares (as defined below) may be sold pursuant to the SEPA.

Yorkville's obligation to continue to purchase shares of Class A common stock pursuant to the SEPA is subject to a number of conditions.

As consideration for Yorkville's commitment to purchase Class A common stock at the Company's direction upon the terms and subject to the conditions set forth in the SEPA, upon execution of the SEPA, the Company issued 25,000 shares of Class A common stock to Yorkville (the "Commitment Shares"). During the three and nine months ended September 30, 2023, no Class A common stock was purchased under the SEPA.

Noncontrolling Interest—Pursuant to the Business Combination, as described in Note 3, the Company is organized in an "Up-C" structure with the Company owning only a portion of its consolidated subsidiaries. The portion of the consolidated subsidiaries not owned by the Company and any related activity is presented as noncontrolling interest in the condensed consolidated financial statements. The noncontrolling interests, together with their corresponding shares of Class V voting stock, can be exchanged for Class A common stock in Biote or, at the election of the Company, cash. Because redemptions for cash is solely within the control of the Company, noncontrolling interest is presented in permanent equity.

Defined Contribution Retirement Plan—Effective January 1, 2021, the Company offers participation in the BioTE Medical, LLC ("BioTE Medical") 401(k) Plan (the "401(k) Plan"), a defined contribution plan providing retirement benefits to eligible employees. Eligible employees may contribute a portion of their annual compensation to the 401(k) Plan, subject to the maximum annual amounts as set periodically by the IRS. The Company makes a safe harbor, non-elective contribution to the 401(k) Plan equal to 3% of each participant's eligible employee compensation. Safe harbor contributions vest immediately for each participant.

The Company made safe harbor contributions under the 401(k) Plan of $0.2 0.3 million and $0.4 0.2 million during the three months ended September 30, 2023 March 31, 2024 and 2022, respectively and $0.6 million and $0.7 million during the nine months ended September 30, 2023 and 2022, 2023, respectively. Safe harbor contributions are presented within selling, general and administrative expense in the unaudited condensed consolidated statements of income operations and comprehensive income (loss).

Share-Based Compensation—Holdings previously granted Class AAAA non-voting incentive units and phantom equity rights (collectively, the "equity awards") to certain key members of management. The equity awards were entitled to share in the distributions of Holdings from a change in control or qualifying liquidity event. The equity awards are accounted for under ASC 718, *Compensation–Stock Compensation*, and classified in equity. The Company recognizes forfeitures at the time they occur. The fair value of the equity awards was determined using a Monte-Carlo simulation as of the grant date. The awards begin to vest on the date of a change in control or qualifying event. The Business Combination constituted such a qualifying event triggering the performance condition in the awards. No compensation cost was recognized historically until the Closing of the Business Combination as a qualifying event was not previously deemed probable to occur. See Note 14 for further details.

Concentrations—Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, accounts receivable, credit agreements, and inventory purchases. The Company's cash balances exceed those that are federally insured. To date, the Company has not recognized any losses caused by uninsured balances.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, 100% of the Company's outstanding debt and available line of credit was from one lender. A failure of the counterparty to perform could result in the loss of access to the available borrowing capacity under the revolving loans.

Inventory purchases from three vendors totaled 83.2 78.7% and 86.5 82.7% for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and 87.4% for the nine months ended September 30, 2022. Inventory purchases from four vendors totaled 85.8% for the nine months ended September 30, 2023. 2023, respectively. Due to the nature of the markets and availability of alternative suppliers, the Company does not believe the loss of any one vendor would have a material adverse impact on the Company's financial position, results of operations or cash flows for any significant period of time.

Significant customers are those which represent more than 10% of the Company's total revenue or gross accounts receivable balance. The Company did not have any customers that accounted for 10% or more of total revenues for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. The Company had one customer that accounted for more than 10% of its gross accounts receivable as of September 30, 2023. The 2023.The Company did not have any customers that accounted for more than 10% of its gross accounts receivable as of December 31, 2022 March 31, 2024 and December 31, 2023.

Recently Adopted Accounting Pronouncements—In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740)—Simplifying the Accounting for Income Taxes*, which simplifies the accounting for income taxes by removing certain exceptions to the general principles of ASC 740, *Income Taxes*. The amendments also improve consistent application of and simplify U.S. GAAP for other areas of ASC 740 by clarifying and amending existing guidance. ASU 2019-12 is effective for fiscal years beginning after December 15, 2021, and for interim periods beginning after December 15, 2022. The Company adopted this standard as of January 1, 2022, and there was no material impact to the financial statements.

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). The main objective of the update is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by companies at each reporting date. For trade and other receivables, held to maturity debt securities, and other instruments, companies will be required to use a new forward-looking "expected losses" model that generally will result in the recognition of allowances for losses earlier than under previous accounting guidance. Further, the FASB issued ASU 2019-04, ASU 2019-05 and ASU 2019-11 to provide additional guidance on the credit losses standard. ASU 2016-13 was effective for annual and interim periods beginning after December 15, 2022, with early adoption permitted. The Company adopted this standard on January 1, 2023 using the modified retrospective approach and it elected to apply the roll-rate method to estimate current expected credit losses for its accounts receivable population. The adoption of this standard did not have a material impact to the financial statements.

Recent Accounting Pronouncements Not Yet Adopted—In August 2020, the FASB Financial Accounting Standards Board ("FASB") issued ASU Accounting Standards Update ("ASU") 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* ("ASU 2020-06"). ASU 2020-06 changes how entities account for convertible instruments and contracts in an entity's own equity and simplifies the accounting for convertible instruments by removing certain separation models for convertible instruments. ASU 2020-06 also modifies the guidance on diluted earnings per share calculations. The amendments are effective for fiscal years beginning after December 15, 2023, including interim

periods within those fiscal years. The Company adopted this standard on January 1, 2024, and there was no material impact to the financial statements and related disclosures.

Recent Accounting Pronouncements Not Yet Adopted—In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands annual disclosures in an entity's income tax rate reconciliation table and requires annual disclosures regarding cash taxes paid both in the U.S. (federal and state) and foreign jurisdictions. The amendments in this ASU are effective for annual periods beginning after December 15, 2024.

Early adoption is currently permitted. The Company is in the process of evaluating the impact of this standard new guidance on its consolidated financial statements statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which expands public entities' segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. The ASU is effective for annual periods beginning after December 15, 2023 and interim periods beginning after December 15,

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2024, and requires retrospective application to all prior periods presented in the financial statements. Early adoption is permitted. The Company is in the process of evaluating the impact of this new guidance on its consolidated financial statements.

3. ACQUISITIONS

F.H. Investments

On March 18, 2024, the Company acquired F.H. Investments Inc. ("Asteria Health") a privately held 503B manufacturer of compounded bioidentical hormones. The total consideration of $8.9 million consisted of $8.4 million in cash payments and an additional $0.5 million cash earnout payment that is contingent on meeting certain operating metrics. The earnout payment is reflected in earnout liability, current in the unaudited condensed consolidated balance sheet because the operating metrics are expected to be met within one year of the balance sheet date. The Company remeasures contingent consideration at each reporting date until the contingency is resolved. Changes in fair value of the contingent consideration will be recorded in earnings. The Company accounted for this transaction as a business combination. The fair value estimates of the assets acquired and liabilities assumed are preliminary and subject to adjustments during the measurement period (up to one year following the acquisition date). The Company has received preliminary valuations and is completing its review of the reports and related disclosures.

3. BUSINESS COMBINATION

At the Closing, (i) Holdings transferred assumptions. Due to the timing of the acquisition, the Company has not received a valuation on the property and equipment. The final fair value of the net assets acquired may result in adjustments to these assets and liabilities, including goodwill.

9,161,771 The following table presents the preliminary estimates for purchase price allocation to assets acquired and liabilities assumed in the purchase of Asteria Health. The preliminary purchase price allocation will be finalized by the end of the measurement period.

(in thousands)		March 31, 2024
Accounts receivable	$	27
Inventory		1,722
Other current assets		29
Customer relationships		1,290
Non-compete		220
Trade name		80
Property and equipment		321
Operating lease right-of-use assets		405
Accounts payable		(63)
Accrued expenses		(297)
Operating lease liabilities, current		(75)
Operating lease liabilities, net of current portion		(330)
Total identifiable net assets		3,329
Total cash consideration		8,354
Earnout liability, current		500
Goodwill	$	5,525

The excess of the total consideration over the identifiable net assets acquired was allocated to goodwill. None of the goodwill is deductible for tax purposes. Goodwill is not amortized but is subject to an annual impairment test using a fair-value approach. The Company has elected to test goodwill for impairment on October 1 each year.

The identifiable intangible assets included customer relationships, a non-compete agreement and a trade name. The customer relationships were valued using the multi-period excess earnings method (“MPEEM”). The MPEEM isolates the cash flows that can be associated with the existing customer relationships and measures fair value by discounting the cash flows to present value. The non-competition agreement was valued using the with-and-without method. Under this method, the debt-free net cash flow of Asteria Health under a scenario in which the covenantor does not compete with Asteria Health was compared with the debt-free net cash flow of Asteria Health under a scenario in which the covenantor competes with Asteria Health. The difference in debt-free net cash flow between the two scenarios was then adjusted to account for the probability that the covenantor would successfully compete with Asteria Health absent the non-competition agreement. The relief-from-royalty method was utilized to value the trade name. The relief-from-royalty method is a form of discounted cash flow analysis that is predicated upon the economic benefits provided to the owner of the intangible asset. The theoretical underpinning of the methodology is that if the intangible asset being valued were not owned by its user, then the user would have to pay the owner a royalty for the right to use the asset. The royalty is generally based upon a percentage of revenue and is a function of the right being granted and a variety of economic factors. The fair value measurements were primarily based on significant inputs that are not observable in the market and, thus, are classified in Level 3 of the fair value hierarchy.

The Company determined that the carrying value of the cash earnout payment is a reasonable estimate of its fair value, due to the short-term period over which the cash earnout is expected to be earned. In determining the estimated fair value of the cash earnout

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Class A common units

payment, the Company made certain judgments, estimates and assumptions, the most significant of Holdings ("Holdings Units"), which was equal the expected period over which the specified metric would be achieved. Contingent payments are classified in Level 3 of the fair value hierarchy.

Costs incurred to purchase Asteria Health have been and will be recognized as expenses in the number period in which the costs are incurred. During the three months ended March 31, 2024, the Company incurred $0.4 million in acquisition-related costs, consisting primarily of legal and consulting costs which were included in general and administrative expense in the unaudited condensed consolidated statements of operations and comprehensive income (loss).

Simpatra, LLC

On January 2, 2024, the Company executed an asset purchase agreement with Simpatra, LLC ("Simpatra") to purchase certain intellectual property and intellectual property rights. As consideration, the Company paid $1.5 million in cash payments and 389,105 shares of Haymaker's the Company's Class A common stock, par value $ of which 0.0001 97,276 per share ("Class A common stock"), issued and outstanding immediately prior shares are being held for a period of approximately 15 months, pursuant to the Closing (after giving effect asset purchase agreement, to redemptions by Haymaker's public stockholders cover certain representations and warranties. Additionally, the agreement provides for a future earnout payment of 30,525,729 194,553 shares of the Company's Class A common stock prior to upon achieving certain financial targets over a four-year period. The fair value of future earnout payment at March 31, 2024 and on the Closing and the conversion of Haymaker's Class B common stock, par value acquisition date was approximately $0.0001 0.3 per share ("Class B common stock") into shares of Class A common stock and (ii) Haymaker issued 58,565,824 shares of newly authorized Class V voting stock, par value $0.0001 per share ("Class V voting stock"), million, which number of shares of Class V voting stock was equal to the number of Holdings Units retained by the Members immediately following the Closing (the "Retained Holdings Units"), and which shares of Class V voting stock were distributed to the Members, resulting is included in the total consideration. The Company being organized in an Up-C structure.

Also at Closing, (x) in exchange for the Closing Holdings Units, Haymaker transferred cash in an amount equal to (i) the cash in the trust account and any cash held by Haymaker outside of the trust account, less (ii) the amounts required by the redemptions of Class A common stock by the public stockholders, which was equal to $305.5 million and (y) the BioTE Companies received aggregate proceeds of $125.0 million from the Debt Financing (as defined below) (the aggregate amounts described in (x) and (y) of $137.3 million, the “Closing Date Cash”) in accordance with and in the priority set forth in the Business Combination Agreement and as described further in the Proxy Statement. There was no cash consideration paid to Members at Closing.

Recapitalization

Immediately prior to the Closing, Holdings (i) effectuated a recapitalization, pursuant to which all its Class A units, Class AA units, Class AAA units and Class AAAA units held by the Members were converted or exchanged (whether by direct exchange, merger or otherwise) into a number of equity interests in the Company designated as “Class A Common Units” in the amounts determined in accordance with Holdings’ Second Amended and Restated Operating Agreement (the “Holdings A&R OA”), which was entered into prior to the Closing, the result of which was that the Members hold a single class of Holdings Units as of immediately prior to the Closing and (ii) converted into a Delaware limited liability company.

Consideration

At the Closing and in consideration accounted for the acquisition of Holdings Units, Haymaker Simpatra as an asset purchase.

The identifiable intangible assets included developed technology, customer relationships, and a trade name. The developed technology was valued using the MPEEM. The MPEEM isolates the cash flows that can be associated with the existing technology and measures fair value by discounting the cash flows to present value. The customer relationships were valued using the distributor method, a variant of the MPEEM that relies upon market-based distributor data or other appropriate market inputs to value existing customer relationships. The distributor method may also be viewed as a profit-split method, in which function-specific profit is allocated to the identified assets. The underlying theory is that a business is comprised of various functional components (such as manufacturing, distribution, and intellectual property) and that, if available, market-based data may be used to reasonably isolate the revenue, earnings, and cash flow related to these functional areas. Using distributor inputs assists with isolating cash flow attributable to the customer-related assets. The distributor method uses market-based data to support the selection of profitability and other inputs related to customer-related activities. The relief-from-royalty method was utilized to value the trade name. The relief-from-royalty method is a form of discounted cash flow analysis that is predicated upon the economic benefits provided to the owner of the intangible asset. The theoretical underpinning of the methodology is that if the intangible asset being valued were not owned by its user, then the user would have to pay the owner a royalty for the right to use the asset. The royalty is generally based upon a percentage of revenue and is a function of the right being granted and a variety of economic factors. The fair value measurements were primarily based on significant inputs that are not observable in the market and, thus, are classified in Level 3 of the fair value hierarchy.

The future earnout payment was valued using a Monte Carlo simulation in order to project the future path of Simpatra’s revenue and the BioTE Companies, pursuant Company’s stock price over the earnout period. In determining the estimated fair value of the future earnout payment, the Company made certain judgments, estimates and assumptions, the most significant of which were the revenue volatility, the revenue discount rate, the correlation factor of Simpatra's revenue to the Business Combination Agreement Company's equity, the Company's stock price, the equity volatility and the Trust Agreement (as defined risk free rate of return. The future earnout payment is classified in Level 3 of the Business Combination Agreement), disbursed the Closing Date Cash to Holdings. fair value hierarchy.

Earnout BioSana ID LLC

On the Closing Date (a) the Members on a pro rata basis subjected (i) 10,000,000January 29, 2024 Retained Holdings Units held by them (the "Member Earnout Units") and (ii) 10,000,000 shares of Class V voting stock distributed to them by the BioTE Companies (the "Earnout Voting Shares"), (b) the Sponsor subjected 1,587,500 shares of Class A common stock held by it after giving effect to the Class B common stock Conversion (the "Sponsor Earnout Shares"), and (c) the Company subjected executed an asset purchase agreement with BioSana ID LLC ("BioSana") to purchase certain assets for cash consideration of $0.7 million. Additionally, the agreement provides for a number future earnout payment of Holdings Units equal up to the number of Sponsor Earnout Shares (the "Sponsor Earnout Units," and, together with the Sponsor Earnout Shares, the Earnout Voting Shares and the Member Earnout Units, the "Earnout Securities"), to certain restrictions and potential forfeiture pending $0.1 million upon the achievement (if any) of certain earnout targets or milestones pursuant to the terms of the Business Combination Agreement or the occurrence of operating metrics. The Company recorded a Change of Control (as defined in the Business Combination Agreement).

Beginning on the six-month anniversary of the Closing, each Retained Biote Unit held by the Members may be redeemed, together with one share of Class V voting stock and subject to certain conditions, in exchange for either one share of Class A common stock or in certain circumstances, at the election of the Company in its capacity as the sole manager of Holdings, the cash equivalent of the market value of one share of Class A common stock, pursuant to the terms and conditions of the Holdings A&R OA (such exchange rights, as further described in the Holdings A&R OA, the "Exchange Rights").

Other Agreements—Business Combination

The Business Combination Agreement contemplated the execution of various additional agreements and instruments, including, among others, the following:

Tax Receivable Agreement

At Closing, Biote entered into the TRA with Holdings, the Members and the Members' Representative, which provides for, among other things, payment by the Company to the Members of 85% of the U.S. federal, state and local income tax savings realized by the Company as a result of the increases in tax basis and certain other tax benefits related to any transactions contemplated under the Business Combination Agreement and any redemption of Retained Holdings Units in exchange for Class A common stock or cash (as more fully described in the TRA). These payments are an obligation of Biote and not of the BioTE Companies. Biote's only material asset following the Business Combination is its ownership interest in Holdings and, accordingly, the Company will depend on distributions from Holdings to make any payments required to be made by the Company under the TRA.

The term of the TRA will continue until all such tax benefits have been utilized or expired unless the Company exercises its right to terminate the TRA for an amount representing the present value of anticipated future tax benefits under the TRA or certain other acceleration events occur. The actual increase in the Company's allocable share of tax basis in the BioTE Companies' assets, as well as the amount and timing of any payments under the TRA, will vary depending upon a number of factors, including the timing of redemptions of shares of Retained Holdings Units, the market price of shares of the Class A common stock at the time of the exchange, the extent to which such exchanges are taxable and the amount and timing of the Company's income. Any payments the Company makes under the TRA will generally reduce the amount of overall cash flow that might have otherwise been available to the Company. To the extent that the Company is unable to make timely payments under the TRA for any reason, the unpaid amounts will be deferred and will accrue interest until paid; however, nonpayment for a specified period and/or under certain circumstances may constitute a material breach of a material obligation under the TRA and therefore accelerate payments due under the TRA.

The TRA provides that, in the event that (i) the Company exercises its early termination rights under the TRA, (ii) certain changes of control occur (as described in the TRA), (iii) the Company, in certain circumstances, fails to make a payment required to be made pursuant to the TRA by the applicable final payment date, which non-payment continues for 30 days following such final payment date or (iv) the Company materially breaches any of its material obligations under the TRA, which breach continues without cure for 30 days following receipt by the Company of written notice thereof (unless, in the case of clauses (iii) and (iv), certain liquidity exceptions apply) the Company's obligations under the TRA will accelerate and the Company will be required to make a lump-sum cash payment to the applicable parties to the TRA equal to the present value of all forecasted future payments that would have otherwise been made under the TRA, which lump-sum payment would be based on certain assumptions, including those relating to the Company's future taxable income. As of September 30, 2023 units exchanged under the TRA generated a deferred tax customer relationship intangible asset of $21.8 0.7 million and a liability under the TRA of $18.5 million. As of December 31, 2022, no units were exchanged under the TRA. related to this acquisition.

Second Amended and Restated Operating Agreement of Holdings 9

At the Closing, the Company, Holdings and the Members entered into the Holdings A&R OA, which, among other things, (i) provided for a recapitalization of the ownership structure of Holdings, whereby following the execution of the Holdings A&R OA, the ownership structure of Holdings consists solely of the Holdings Units, (ii) designated the Company as the sole manager of Holdings (iii) provides that on the Exchange Date (as defined in the Holdings A&R OA) (unless otherwise waived by the Company, or, with respect to the Initial Shares (as defined therein), following the registration under the Securities Act of 1933, as amended (the "Securities Act"), of such shares), each Retained Biote Unit held by the Members may be redeemed in exchange, subject to certain conditions, for either one share of Class A common stock or, at the election of the Company in its capacity as the sole manager of Holdings, the cash equivalent of the market value of one share of Class A common stock (the "Exchange Rights"), and (iv) otherwise amended and restated the rights and preferences of the Holdings Units, in each case, as more fully described in the Holdings A&R OA.

In connection with the execution of the Business Combination Agreement, certain of Haymaker's officers and directors, Haymaker, the Sponsor, Holdings and the Members' Representative entered into a letter agreement (the "Sponsor Letter"), pursuant to which, among other things, the Sponsor agreed to (i) vote, at any duly called meeting of stockholders of the Company, in favor of the Business Combination Agreement and the transactions contemplated thereby, (ii) subject to certain exceptions, not to effect any sale or distribution of any of its shares of Class B common stock or private placement warrants and (iii) waive any and all anti-dilution rights described in Haymaker's amended and restated certificate of incorporation or otherwise with respect to the shares of Class B common stock held by the Sponsor that may be implicated by the Business Combination such that the Class B common stock Conversion will occur as discussed therein.

Investor Rights Agreement

At the Closing, the Company, the Members, the Sponsor, the Members' Representative and certain other parties entered into an Investor Rights Agreement (the "IRA"). Pursuant to the terms of the IRA, among other things, (i) that certain Registration Rights Agreement, by and between Haymaker and certain security holders, dated March 1, 2021, entered into in connection with Haymaker's initial public offering, was terminated, (ii) the Company provided certain registration rights for the shares of Class A common stock held (or underlying certain securities held) by the Members, the Sponsor, and certain other parties, (iii) the Members agreed not to, subject to certain exceptions, transfer, sell, assign or otherwise dispose of the shares of Class A common stock, Class V voting stock and the Holdings Units held by such Members, as applicable, for six months following the Closing, and the Member Earnout Units (as defined therein) until the date such securities have been earned in accordance with the Business Combination Agreement and (iv) the Sponsor agreed not to, subject to certain exceptions, transfer, sell, assign or otherwise dispose of its (a) shares of Class A common stock (other than the Sponsor Earnout Shares, as defined therein) for six months following the Closing, (b) Sponsor Earnout Shares until the date such securities have been earned in accordance with the Business Combination Agreement and (c) warrants issued to the Sponsor pursuant to that certain Private Placement Warrants Purchase Agreement, dated March 1, 2021, by and between the Company and the Sponsor, and the underlying shares of Class A common stock, for 30 days following the Closing Date (such lock-up period

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superseding the lock-up period set forth in the Insider Letter (as defined in the IRA)), in each case, as more fully described in the IRA).

Indemnification Agreements

In connection with the Closing, the Company entered into indemnification agreements (each, an "Indemnification Agreement") with its directors and executive officers. Each Indemnification Agreement provides for indemnification and advancements by the Company of certain expenses and costs if the basis of the indemnitee's involvement in a matter was by reason of the fact that the indemnitee is or was a director, officer, employee, or agent of the Company or any of its subsidiaries or was serving at the Company's request in an official capacity for another entity, in each case to the fullest extent permitted by the laws of the State of Delaware.

Credit Agreements

On the Closing Date, certain direct and indirect subsidiaries of Biote entered into that certain Credit Agreement, dated as of May 26, 2022 (the "Credit Agreement"; any capitalized terms used but not defined herein have the meanings assigned to such terms in the Credit Agreement), by and among, inter alios, Holdings, BioTE Medical, LLC, ("BioTE Medical"), BioTe IP, LLC, ("BioTe IP" and, together with Holdings and BioTE Medical, collectively, the "Loan Parties"), certain lenders party thereto from time to time (the "Lenders"), and Truist Bank, as administrative agent for the Lenders ("Administrative Agent"). The Credit Agreement provides for (i) a $50.0 million senior secured revolving credit facility (the "Revolving Loans") and (ii) a $125.0 million senior secured term loan A credit facility, which was borrowed in full on the Closing Date (the "Term Loan" and, together with the Revolving Loans, collectively, the "Loans", such transactions together the "Debt Financing"). BioTE Medical used the proceeds of the Debt Financing to refinance and replace an existing credit facility pursuant to a credit agreement, dated as of May 17, 2019, with Bank of America, N.A and for general corporate purposes.

The Loans are also subject to customary events of default. Events of default under the Credit Agreement include (subject to grace periods in certain instances): (i) the failure by any Loan Party to timely make payments due under the Credit Agreement; (ii) material misrepresentations or misstatements in any representation or warranty by any Loan Party when made; (iii) failure by any Loan Party to comply with the covenants under the Credit Agreement and other related agreements; (iv) certain defaults under a specified amount of other indebtedness of Holdings or its subsidiaries; (v) insolvency or bankruptcy-related events with respect to Holdings or any of its subsidiaries; (vi) certain undischarged, non-appealable judgments above a specified threshold against Holdings or any of its subsidiaries; (vii) certain ERISA-related events reasonably expected to result in liability above a specified threshold to Holdings and its subsidiaries taken as a whole; (viii) any loan documents or a material part of the liens under the loan documents ceasing to be, or being asserted by Holdings or its subsidiaries not to be, in full force and effect; (ix) any loan party or subsidiary denying that it has further obligations under any Loan Document; (x) any obligations under the loan documents ceasing to constitute senior indebtedness; and (x) the occurrence of a change of control. If an event of default has occurred and continues beyond any applicable cure period, Administrative Agent may (i) accelerate all outstanding obligations under the Credit Agreement or (ii) terminate the commitments, amongst other remedies. Additionally, BioTE Medical may not borrow under the Loans while an event of default is continuing. See Note 9 for further detail.

4. REVENUE RECOGNITION

Revenue recognized for each revenue stream was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2023**	**2022**	**2023**	**2022**
Pellet procedures	$ 35,416	$ 32,981	$ 106,123	$ 96,247

Dietary supplements	8,475	8,066	28,955	21,719
Disposable trocars	893	509	2,439	1,110
Shipping fees	47	18	121	45
Product revenue	44,831	41,574	137,638	119,121
Training	321	186	859	707
Contract-term services	234	210	669	644
Other	171	—	491	—
Service revenue	726	396	2,019	1,351
Total revenue	$ 45,557	$ 41,970	$ 139,657	$ 120,472

	Three Months Ended March 31,	
(in thousands)	2024	2023
Pellet procedures	$ 37,389	$ 35,070
Dietary supplements	7,389	8,330
Disposable trocars	1,027	720
Compounding pharmacy	171	—
Shipping fees	59	35
Product revenue	46,035	44,155
Training	274	336
Contract-term services	274	210
Other	221	142
Service revenue	769	688
Total revenue	$ 46,804	$ 44,843

Revenue recognized by geographic region was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
(in thousands)	2023	2022	2023	2022	2024	2023
United States	$ 44,570	$ 41,469	$ 137,109	$ 118,845	$ 45,656	$ 44,016

All other	261	105	529	276	379	139
Product revenue	44,831	41,574	137,638	119,121	46,035	44,155
United States	726	385	2,019	1,332	769	656
All other	—	11	—	19	—	32
Service revenue	726	396	2,019	1,351	769	688
Total revenue	$ 45,557	$ 41,970	$ 139,657	$ 120,472	$ 46,804	$ 44,843

Significant changes in contract liability balances were as follows:

	September 30,				March 31,			
	2023		2022		2024		2023	
Description of change (in thousands)	**Deferred Revenue**	**Deferred Revenue, Long-term**	**Deferred Revenue**	**Deferred Revenue, Long-term**	**Deferred Revenue**	**Deferred Revenue, Long-term**	**Deferred Revenue**	**Deferred Revenue, Long-term**
Revenue recognized that was included in the contract liability balance at the beginning of the period	$ (1,263)	$ —	$ (1,445)	$ —	$ (1,012)	$ —	$ (755)	$ —
Increases due to cash received, excluding amounts recognized as revenue during the period	1,679	855	1,207	591	1,652	422	760	340
Transfers between current and non-current liabilities due to the expected revenue recognition period	454	(454)	412	(412)	576	(576)	389	(389)

Total increase in contract liabilities	$ 870	$ 401	$ 174	$ 179	$ 1,216	$ (154)	$ 394	$ (49)

Consideration allocated to initial training due to deposits paid upfront is presented within deferred revenue on in the unaudited condensed consolidated balance sheets and is expected to be recognized as revenue within one year as the training is performed. Consideration allocated to contract-term services is presented within deferred revenue and deferred revenue, long-term for the amounts expected to be recognized within one year and longer than one year, respectively.

Consideration allocated to the premiums within the management fee for pellet procedures is presented within deferred revenue current and deferred revenue, long-term for amounts expected to be recognized within one year and longer than one year, respectively.

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Consideration allocated to performance obligations was as follows:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Unsatisfied training obligations – Current	$ 154	$ 104	$ 174	$ 151
Unsatisfied contract-term services – Current	1,497	1,028	1,780	1,583
Unsatisfied contract-term services – Long-term	817	627	996	935
Total allocated to unsatisfied contract-term services	2,314	1,655	2,776	2,518
Unsatisfied pellet procedures – Current	911	833	922	940
Unsatisfied pellet procedures – Long-term	365	299	430	387
Total allocated to unsatisfied pellet procedures	1,276	1,132	1,352	1,327
Unsatisfied dietary supplements – Current			-	328
Total deferred revenue – Current	$ 2,562	$ 1,965	$ 2,876	$ 3,002
Total deferred revenue – Long-term	$ 1,182	$ 926	$ 1,426	$ 1,322

The Company does not have a history of material returns or refunds and generally does not offer warranties or guarantees for any products or services. There were no expected returns or refunds recorded as a reduction of revenue for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

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5. INVENTORY, NET

The components of inventory, net were as follows:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Product inventory – Pellets	$ 6,845	$ 6,213	$ 9,129	$ 7,200
Less: Obsolete and expired pellet allowance	(1,266)	(1,298)	(1,342)	(1,272)
Pellet inventory, net	5,579	4,915	7,787	5,928
Product inventory – Dietary supplements	5,514	6,283	11,145	11,394
Less: Obsolete and expired dietary supplement allowance	(15)	(15)	(15)	(15)
Dietary supplement inventory, net	5,499	6,268	11,130	11,379
Inventory, net	$ 11,078	$ 11,183	$ 18,917	$ 17,307

As of March 31, 2024, raw material and work in process were not material.

6. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Trocars	$ 4,644	$ 4,645	$ 4,644	$ 4,644
Leasehold improvements	1,506	1,028	2,206	1,506
Office equipment	253	238	374	253
Computer software	140	140	140	140
Furniture and fixtures	181	161	330	181
Computer equipment	108	102	127	108
Construction in process			121	—
Property and equipment	6,832	6,314	7,942	6,832
Less: Accumulated depreciation	(5,479)	(4,810)	(5,751)	(5,614)
Property and equipment, net	$ 1,353	$ 1,504	$ 2,191	$ 1,218

Total depreciation expense related to property and equipment was $0.2 0.1 million and $0.3 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $0.7 million and $0.9 million for the nine months ended September 30, 2023 and 2022, 2023, respectively. Total depreciation expense was included in Selling, general and administrative expense in the unaudited condensed consolidated statements of income operations and comprehensive income (loss). The Company has not acquired any property and equipment under finance leases.

The Company’s property and equipment are all held within the United States.

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7. CAPITALIZED SOFTWARE, NET

Capitalized software, net consisted of the following:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Website costs	$ 4,145	$ 4,142	$ 6,655	$ 6,653
Development in process	4,465	3,277	3,204	2,856
Less: Accumulated amortization	(3,161)	(2,346)	(4,929)	(4,536)
Capitalized software, net	$ 5,449	$ 5,073	$ 4,930	$ 4,973

Total amortization expense for capitalized software was $0.3 0.4 million and $0.3 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $0.8 million and $0.8 million for the nine months ended September 30, 2023 and 2022, 2023, respectively. Total amortization expense was included in Selling, general and administrative expense in the unaudited condensed consolidated statements of income operations and comprehensive income (loss).

8. INTANGIBLE ASSETS, NET

Intangible assets, net consisted of the following:

	March 31, 2024			
(in thousands)	Fair Value at Acquisition	Accumulated Amortization	Net Carrying Value	Weighted Average Amortization Period
Customer relationships	$ 2,097	$ (25)	$ 2,072	8.5 years
Developed technology	3,760	(188)	3,572	5 years
Non-compete agreement	220	—	220	3 years
Trade names	158	(7)	151	3 years
Total intangible assets	$ 6,235	$ (220)	$ 6,015	6 years

As of December 31, 2023, the Company did not have any intangible assets.

Definite Lived Intangible Asset Amortization

The Company recognized $0.2 million of amortization expense, related to the acquired definite lived intangible assets in the three months ended March 31, 2024. The estimated amortization expense for each of the next five years is as follows:

As of March 31,	(in thousands)
2024 (remaining nine months)	$ 865
2025	1,153
2026	1,153
2027	1,052
2028	1,027
Thereafter	765
Total	$ 6,015

9. ACCRUED EXPENSES

Accrued expenses consisted of the following:

(in thousands)	September 30, 2023	December 31, 2022
Accrued professional fees	$ 415	$ 354
Accrued employee-related costs	5,599	4,221
Accrued interest	27	—
Other	4,238	1,699
Accrued expenses	$ 10,279	$ 6,274

(in thousands)	March 31, 2024	December 31, 2023
Accrued professional fees	$ 490	$ 561
Accrued employee-related costs	4,492	6,068
Accrued tax distributions	2,029	—
Income tax payable	1,135	17
Other	1,583	1,851
Accrued expenses	$ 9,729	$ 8,497

9. 10.LONG-TERM DEBT

Bank of America Term Loan

In May 2019, the Company entered into a credit arrangement (the "Bank of America Credit Agreement") for a term loan of $50.0 million (the "Bank of America Term Loan"), which bore an interest rate quoted as LIBOR + 300 Basis Points.

The Bank of America Credit Agreement also included a line of credit arrangement, under which the Company could borrow up to $10.0 million. The line was set to expire in May of 2024 and was secured by all assets of the Company. The Company did not draw on the line of credit during the three and nine months ended September 30, 2022.

In connection with obtaining the Bank of America Credit Agreement in May of 2019, the Company incurred lender's fees and related attorney's fees of $1.1 million. The Company capitalized these costs and was amortizing these to interest expense over the maturity of the Bank of America Term Loan. Amortization expense related to the debt issuance costs on the Bank of America Credit Agreement was $0 and $0.09 million for the three and nine months ended September 30, 2022, respectively. At the Closing Date, the remaining unamortized Bank of America debt issuance costs of $0.4 million were written off as a loss from extinguishment of debt in the Company's condensed consolidated statements of income and comprehensive income (loss) upon extinguishment of the Bank of America Credit Agreement.

In connection with the Business Combination, the Company entered into a new loan agreement as described below. A portion of the funds obtained from the new agreement were used to repay the Bank of America Term Loan in full on the Closing Date.

Truist Term Loan

On the Closing Date, May 22, 2022, the Company entered into a new loan agreement with Truist Bank (the "Credit Agreement" and with respect to the term loan within, the "Term Loan") for $125.0 million. The Credit Agreement provides for (i) a $50.0 million senior secured revolving credit facility (the "Revolving Loans") and (ii) a $125.0 million senior secured term loan A credit facility (the "Term Loan"), which was borrowed in full on May 22, 2022. The Company

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used the proceeds to refinance and replace an existing credit facility pursuant to a credit agreement, dated as of May 17, 2019, with Bank of America, N.A. and for general corporate purposes. Interest on borrowings under the Credit Agreement is based on either, at the Company's election, the Standard Overnight Financing Rate plus an applicable margin of 2.5% or 2.75% or the Base Rate plus an applicable margin of 1.5% or 1.75%. At September 30, 2023 March 31, 2024, the interest rate charged to the Company was approximately 8.04 7.93%. The Term Loam Loan requires principal payments of $1.6 million in quarterly installments on the last day of each calendar quarter, commencing on September 30, 2022, with repayment of the outstanding amount of the note due on maturity, which occurs on May 26, 2027. As of September 30, 2023 March 31, 2024, the outstanding principal on the Term Loan was $117.2 114.1 million.

Pursuant to the Credit Agreement, the Company may borrow under the Revolving Loans from time to time up to the total commitment of $50.0 million. The Company did not draw on the Revolving Loans during each of the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

The Credit Agreement is secured by substantially all of the assets of the Company and is subject to, among other provisions, customary covenants regarding indebtedness, liens, negative pledges, restricted payments, certain prepayments of indebtedness, investments, fundamental changes, disposition of assets, sale and lease-back transactions, transactions with affiliates, amendments of or waivers with respect to restricted debt and permitted activities of the Company. The Credit Agreement is subject to (i) a maximum total net leverage ratio and (ii) a minimum fixed charge coverage ratio. The Company must maintain a total net leverage ratio of less than or equal to (i) 4.25:1.00, with respect to the fiscal quarter ending September 30, 2022 through and including the fiscal quarter ending March 31, 2023, (ii) 4.00:1.00, with respect to the fiscal quarter ending June 30, 2023 through and including March 31, 2024, and (iii) (ii) 3.75:1.00 thereafter. Beginning with the third fiscal quarter of 2022, the Company must not permit the Consolidated Fixed Charge Coverage Ratio to be less than 1.25:1.00. Both financial covenants are tested quarterly. In addition to the financial covenants, the Company is required to deliver financial statements and other information including, but not limited to, a budget for and is prohibited from making certain restricted payments, as defined in the Credit Agreement, during the fiscal year in progress. Although the Company was in compliance with all required financial covenants associated with the Credit Agreement, it failed to timely deliver notify the administrative agent of its commitment to repurchase certain shares currently beneficially owned by the Company's founder pursuant to a budget for settlement agreement reached in the fiscal year ending December 31, 2023, Donovitz Litigation, resulting in an event of default as of June 30, 2023 March 31, 2024. On July 27, 2023 April 26, 2024, the Company entered into a First Amendment to the Credit Agreement and Waiver with the lender, that waived the event of default and also agreed that the Company payments made to repurchase the specified shares in settlement of the Donovitz Litigation will not be required to deliver a budget no longer continue as an event of default. See Note 19. Commitments and Contingencies for additional information on the fiscal year ending December 31, 2023. As of September 30, 2023, the Company was in compliance with all required covenants associated with the Credit Agreement. Donovitz Litigation.

In connection with obtaining the Credit Agreement in May of 2022, the Company incurred lender's fees and related attorney's fees of $4.0 million. The Company capitalized these costs and is amortizing these to interest expense over the term of the Term Loan. The balance on the Term Loan is presented in the unaudited condensed consolidated balance sheets net of the related debt issuance costs. Amortization expense related to the debt issuance costs on the Credit Agreement was $0.2 million and $0.2 million for each of the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $0.6 million and $0.3 million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

The total amortization of debt issuance costs, inclusive of those related to both the Bank of America Credit Agreement and the Credit Agreement, was $0.2 million and $0.2 million for the three months ended September 30, 2023 and 2022, respectively, and $0.6 million and $0.4 million for the nine months ended September 30, 2023 and 2022, respectively.

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Long-term debt was as follows:

	September 30,	December 31,	March 31,	December 31,

(in thousands)	2023	2022	2024	2023
Term loan	$ 117,188	$ 121,875	$ 114,063	$ 115,625
Less: Current portion	$ (6,250)	(6,250)	$ (6,250)	(6,250)
	$ 110,938	$ 115,625	$ 107,813	$ 109,375
Less: Unamortized debt issuance costs	$ (2,948)	(3,539)	$ (2,543)	(2,745)
Term loan, net of current portion	$ 107,990	$ 112,086	$ 105,270	$ 106,630

Future maturities of long-term debt, excluding debt issuance costs, are as follows:

Year Ended December 31,	(in thousands)	
2023 (remaining three months)	1,563	
2024	6,250	
As of March 31,		**(in thousands)**
2024 (remaining nine months)		4,688
2025	6,250	6,250
2026	6,250	6,250
2027	96,875	96,875
	$ 117,188	$ 114,063

10. WARRANT LIABILITY

In connection with its initial public offering, Haymaker issued public warrants as part of the units sold through the offering ("Public Warrants") as well as private placement warrants ("Private Placement Warrant") to its Sponsor, the terms of which are further described below.

Warrant Tender Offer

On May 9, 2023, the Company commenced (i) its offer to each holder of its outstanding warrants, each whole warrant exercisable for one share of Class A common stock of the Company, at an exercise price of $11.50 per share (the "Warrants"), the opportunity to receive 0.23 shares of Class A common stock in exchange for each Warrant tendered by the holder and exchanged pursuant to the offer (the "Offer"), and (ii) the solicitation of consents (the "Consent Solicitation") from holders of the Warrants (the "Consent Warrants") to amend the Warrant Agreement (the "Warrant Agreement"), dated as of March 1, 2021, by and between Haymaker Acquisition Corp. III, a Delaware corporation, and Continental Stock Transfer & Trust Company, a New York corporation, as warrant agent (the "Warrant Amendment"), which governs all of the Warrants. Pursuant to the terms of the Warrant Agreement, all except certain specified modifications or amendments required the vote or written consent of holders of at least 50% of the Public Warrants and, solely with respect to any amendment to the terms of the Private Placement Warrants, at least 50% of the Private Placement Warrants.

The Warrant Amendment permitted the Company to require that each Warrant that is outstanding upon the closing of the Offer be converted into 0.207 shares of Class A common stock, which is a ratio 10% less than the exchange ratio applicable to the Offer. The Offer and Consent Solicitation expired one minute after 11:59 p.m., Eastern Standard Time, on June 7, 2023.

Public Warrants of 8,191,336, or approximately 97.5% of the outstanding Public Warrants and Private Placement Warrants of 4,464,900, or approximately 87.4% of the outstanding Private Placement Warrants, were validly tendered and not validly withdrawn prior to the expiration of the Offer and Consent Solicitation. In addition, pursuant to the Consent Solicitation, the Company received the approval of the Warrant Amendment from approximately (i) 97.5% of the outstanding Public Warrants and (ii) 87.4% of the outstanding Private Placement Warrants.

On June 8, 2023, the Company and the Warrant Agent entered into the Warrant Amendment, which permitted the Company to require that each Warrant that is outstanding upon the closing of the Offer be converted into 0.207 shares of Class A common stock, which is a ratio 10% less than the exchange ratio applicable to the Offer. The Company exercised its right to exchange all remaining outstanding Warrants for shares of Class A common stock in accordance with the terms of the Warrant Amendment. As a result of the warrant tender offer, the Company exchanged all of its outstanding Warrants for 3,088,473 shares of Class A Common Stock valued at $17.5 million. No Warrants remain outstanding following such exchange.

Public Warrants

Each whole Public Warrant was exercisable to purchase one share of Class A common stock, and only whole warrants were exercisable. The Public Warrants became exercisable on June 25, 2022, 30 days after the completion of the Business Combination. Each whole Public Warrant entitled the holder to purchase one share of Class A common stock at an exercise price of $11.50.

Pursuant to the warrant agreement, a warrant holder may exercise its warrants only for a whole number of shares of Class A common stock. This means that only a whole warrant may be exercised at any given time by a warrant holder. No fractional warrants were issued upon separation of the units and only whole warrants were traded, requiring a purchase of at least four units to receive or trade

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a whole warrant. The warrants will expire on May 26, 2027, five years after the completion of the Business Combination, or earlier upon redemption or liquidation.

If the shares issuable upon exercise of the warrants were not registered under the Securities Act within 60 business days following the Business Combination, the Company would have been required to permit holders to exercise their warrants on a cashless basis. However, no warrant was exercisable for cash or on a cashless basis, and the Company was not obligated to issue any shares to holders seeking to exercise their warrants, unless the issuance of the shares upon such exercise was registered or qualified under the securities laws of the state of the exercising holder, unless an exemption was available. In the event that the conditions in the immediately preceding sentence were not satisfied with respect to a warrant, the holder of such warrant would not be entitled to exercise such warrant and such warrant would have no value and expire worthless. In no event was the Company required to net cash settle any warrant. In the event that a registration statement was not effective for the exercised warrants, the purchaser of a unit containing such warrant would have paid the full purchase price for the unit solely for the share of Class A common stock underlying such unit.

The Company agreed that as soon as practicable, but in no event later than 15 business days, after the closing of the Business Combination, it would use its reasonable best efforts to file with the SEC a registration statement for the registration, under the Securities Act, of the shares of Class A common stock issuable upon exercise of the warrants. The Company would use its reasonable best efforts to cause the same to become effective within 60 business days following the Business Combination and to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the expiration of the warrants in accordance with the provisions of the warrant agreement. Notwithstanding the above, if the Company's Class A common stock was at the time of any exercise of a warrant not listed on a national securities exchange such that it satisfies the definition of a covered security under Section 18(b)(1) of the Securities Act, the Company would, at its option, require holders of Public Warrants who exercise their warrants to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act and, in the event the Company so elected, the Company would not be required to file or maintain in effect a registration statement, but the Company would be required to use its best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

Redemption of warrants when the price per Class A share equals or exceeds $18.00

Once the warrants become exercisable, the Company may call the warrants for redemption:

- in whole and not in part;
- at a price of $0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption (which the Company refers to as the 30-day redemption period) to each warrant holder; and
- if, and only if, the last reported sale price of the Class A common stock equals or exceeds $18.00 per share (as adjusted for stock splits, stock capitalizations, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which it sends the notice of redemption to the warrant holders.

Redemption of warrants when the price per Class A share equals or exceeds $10.00

Once the warrants become exercisable, the Company may call the warrants for redemption:

- in whole and not in part;
- at $0.10 per warrant upon a minimum of 30 days' prior written notice of redemption provided that holders will be able to exercise their warrants on a cashless basis prior to redemption and receive that number of shares of the Company's Class A common stock to be determined based on the redemption date and the "fair market value" of shares of the Company's Class A common stock except as otherwise described below;
- if, and only if, the closing price of shares of the Company's Class A common stock equals or exceeds $10.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within the 30-trading day period ending on the third trading day prior to the date on which it sends the notice of redemption to the warrant holders; and

- if the closing price of the Company's Class A common stock for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which it sends the notice of redemption to the warrant holders is less than $18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like), the Private Placement Warrants must also be concurrently called for redemption on the same terms as the outstanding Public Warrants.

In addition, if (x) the Company issues additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the Closing of the Business Combination at an issue price or effective issue price of less than $9.20 per share of Class A common stock (with such issue price or effective issue price to be determined in good faith by the Company's board

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of directors and, in the case of any such issuance to the Sponsor or its affiliates, without taking into account any founder shares held by the Sponsor or such affiliates, as applicable, prior to such issuance) (the "Newly Issued Price"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, inclusive of interest earned on equity held in trust, available for the funding of the Business Combination on the date of the consummation of the Business Combination (net of redemptions), and (z) the volume weighted average trading price of the Company's common stock during the 20 trading day period starting on the trading day prior to the day on which the Business Combination is consummated (such price, the "Market Value") is below $9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, and the $18.00 per share redemption trigger price described above will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

The Company's Public Warrants were treated as liabilities and recorded at fair value in the Warrant liability line of the condensed consolidated balance sheets. Any changes in fair value are recorded in the changes in fair value of warrants line of the condensed consolidated statements of income and comprehensive income (loss). Please see Note 12 for further detail. No Public Warrants were redeemed as of December 31, 2022.

Private Placement Warrants

The Sponsor purchased an aggregate of 5,333,333 Private Placement Warrants at a price of $1.50 per whole warrant in a private placement that occurred simultaneously with the closing of Haymaker's initial public offering. Subsequently, the Sponsor purchased an additional 233,333 Private Placement Warrants for an aggregate purchase price of $350.0 million in conjunction with the partial exercise of the underwriters' overallotment option. Each whole Private Placement Warrant was exercisable for one share of the Company's Class A common stock at a price of $11.50 per share. The Private Placement Warrants were non-redeemable and exercisable on a cashless basis so long as they were held by the Sponsor or its permitted transferees.

The Private Placement Warrants (including the Class A common stock issuable upon exercise of the Private Placement Warrants) were not transferable, assignable or saleable until 30 days after the completion of the Business Combination and they were not redeemable so long as they were held by the Sponsor or its permitted transferees. Otherwise, the Private Placement Warrants had terms and provisions that were identical to those of the Public Warrants, including as to exercise price, exercisability and exercise period. If the Private Placement Warrants were held by holders other than the Sponsor or its permitted transferees, the Private Placement Warrants would be redeemable by the Company and exercisable by the holders on the same basis as the Public Warrants.

If holders of the Private Placement Warrants elected to exercise them on a cashless basis, they would pay the exercise price by surrendering their warrants for that number of shares of Class A common stock equal to the quotient obtained by dividing (x) the product of the number of shares of Class A common stock underlying the warrants, multiplied by the difference between the exercise price of the warrants and the "fair market value" (defined below) by (y) the fair market value. The "fair market value" shall mean the average reported last sale price of the Class A common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of warrant exercise is sent to the warrant agent.

The Company accounted for the Public Warrants and Private Placement Warrants in accordance with the guidance contained in ASC 815-40. Such guidance provides that because the warrants did not meet the criteria for equity treatment thereunder, each warrant was recorded as a liability.

The warrant liabilities were subject to re-measurement at each balance sheet date. With each such re-measurement, the warrant liabilities were adjusted to current fair value, with the change in fair value recognized in the Company's condensed consolidated statements of income and comprehensive income (loss). The Company reassessed the classification at each balance sheet date. If the classification changed as a result of events during the period, the warrants would have been reclassified as of the date of the event that caused the reclassification. No such events requiring a change in classification of the warrants had occurred through September 30, 2023.

The Company's Private Placement Warrants were treated as liabilities and recorded at fair value in the Warrant liability line of the balance sheets. Any changes in fair value were recorded in the changes in fair value of warrants line of the condensed consolidated statements of income and comprehensive income (loss). Please see Note 12 for further detail.

11. EARNOUT LIABILITY

Certain On May 26, 2022, certain of the Company's equity holders are entitled to received earnout securities that will vest in up to 11,587,500 Earnout Securities if certain share price targets (the "Triggering Events") are achieved by May 26, 2027 (the "Earnout Deadline"). The Triggering Events each entitle the eligible equity holders to a certain number of shares per Triggering Event. The Triggering Events are as follows:

(i) the first time, prior to the Earnout Deadline, that the volume-weighted average share price of Biote's Class A common stock ("VWAP") equals or exceeds $12.50 per share (the "Price Target 1") for twenty (20) trading days of any thirty (30) consecutive trading day period following the Closing, May 26, 2022, one-third (1/3) of the Earnout Securities earnout securities shall be vested and no longer subject to forfeiture and other transfer restrictions (the "Earnout Restrictions");

(ii) the first time, prior to the Earnout Deadline, that the VWAP equals or exceeds $15.00 per share (the "Price Target 2") for twenty (20) trading days of any thirty (30) consecutive trading day period following the Closing, May 26, 2022, one-third (1/3) of the Earnout Securities earnout securities shall be vested and no longer subject to the Earnout Restrictions;

(iii) the first time, prior to the Earnout Deadline, that the VWAP equals or exceeds $17.50 per share (the "Price Target 3") for twenty (20) trading days of any thirty (30) consecutive trading day period following the Closing, May 26, 2022, one-third (1/3) of the Earnout Securities earnout securities shall be vested and no longer subject to the Earnout Restrictions; and

(iv) if the Company completes a change of control prior to the Earnout Deadline, then all remaining unvested Earnout Securities earnout securities shall vest and no longer be subject to the Earnout Restrictions.

The earnout securities are classified as a liability in the Company's Earnout unaudited condensed consolidated balance sheets because they do not qualify as being indexed to the Company's own stock. The earnout liability was initially measured at fair value and is subsequently remeasured at the end of each reporting period. The change in fair value of the earnout liability is recorded at fair value in the condensed consolidated balance sheets. Any changes in fair value are recorded in the changes in earnout liability line of the unaudited condensed consolidated statements of income operations and comprehensive income (loss). Please see Note 12 for further detail.

In connection with the acquisitions made during the first quarter of 2024, the Company recorded additional earnout liabilities. Please see Note 3 for further detail.

12. FAIR VALUE MEASUREMENTS

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the The Company in determining fair value is greatest for instruments categorized in Level 3. A financial instrument's level within the has established a fair value hierarchy is which prioritizes the inputs to the valuation techniques used to measure fair value into three levels. These levels are determined based on the lowest level of any input that is significant to the fair value measurement.

Fair value is a market-based measure considered from Levels within the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions hierarchy are not readily available, the Company's own assumptions are set to reflect those that market participants would use defined in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or Level Note 2 to Level 3. the consolidated financial statements in the 2023 Form 10-K.

The Company’s financial instruments consist of accounts receivable, accounts payable, accrued expenses, and short- and long-term debt. The carrying value of accounts receivable, accounts payable, accrued expenses and short-term debt are considered a reasonable estimate of their fair value, due to the short-term maturity of these instruments.

The Company’s debt instruments are carried at amortized cost in its unaudited condensed consolidated balance sheets, which may differ from their respective fair values. The fair values of the Company’s term loan Term Loan and revolving line of credit Revolving Loans generally approximate their carrying values.

The following table presents information regarding the Company’s financial liabilities that were measured at fair value on a recurring basis:

	September 30, 2023				March 31, 2024			
(in thousands)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities:								
Public Warrants	$ —	$ —	$ —	$ —				
Private Placement Warrants	—	—	—	—				
Earnout liability	—	—	46,470	46,470	$ —	$ —	$ 54,044	$ 54,044

	December 31, 2022				December 31, 2023			
(in thousands)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities:								
Public Warrants	$ 2,381	$ —	$ —	$ 2,381				
Private Placement Warrants	—	—	1,723	1,723				
Earnout liability	—	—	32,110	32,110	$ —	$ —	$ 41,100	$ 41,100

There were no movements between levels during each of the three and nine months ended September 30, 2023 March 31, 2024.

Level 3 Disclosures

Private Placement Warrants

As described in Note 10, the Company’s Private Placement Warrants were initially issued by Haymaker and were thus acquired by the Company through the consummation of the Business Combination. Accordingly, the initial measurement date of the Private Placement Warrants for the Company was the Closing Date. The Private Placement Warrants were valued using a Monte Carlo simulation. Calculating the fair value of the Private Placement Warrants requires the input of subjective assumptions. Other reasonable assumptions could provide differing results. The carrying amount of the liability may fluctuate significantly, and actual amounts at

settlement may be materially different from the liability's estimated fair value. As of September 30, 2023, all of the Private Placement Warrants had been exchanged for Class A common stock.

The following table provides the significant inputs used to measure the fair value of the level 3 Private Placement Warrants:

	As of December 31, 2022
Stock price	$ 3.73
Exercise price	$ 11.50
Risk-free rate	4.0 %
Volatility	42.2 %
Term (in years)	4.4

Earnout Liability

The Earnout liability was valued using a Monte Carlo simulation in order to project the future path of the Company's stock price over the earnout period. The carrying amount of the liability may fluctuate significantly, and actual amounts paid may be materially different from the liability's estimated fair value.

The following table provides the significant inputs used to measure the fair value of the level 3 Earnout liability:

	As of		As of	
	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Stock price	$ 5.12	$ 3.73	$ 5.80	$ 4.94
Risk-free rate	4.7 %	4.1 %	4.3 %	4.0 %
Volatility	70.0 %	70.0 %	67.5 %	65.0 %
Term (in years)	3.7	4.4	3.2	3.9

Changes in the fair value of the Company's Level 3 financial instruments were as follows:

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(in thousands)	Placement Warrants		Earnout Liability		Total	
Fair value as of December 31, 2022	$	1,723	$	32,110	$	33,833
Loss from change in fair value		4,863		14,360		19,223
Settlement		(6,586)		—		(6,586)
Fair value as of September 30, 2023	$	—	$	46,470	$	46,470

(in thousands)	Earnout Liability	
Fair value as of December 31, 2023	$	41,100
Fair value of earnout related to acquisitions		855
Loss from change in fair value		12,089
Fair value as of March 31, 2024	$	54,044

13. NONCONTROLLING INTEREST

In connection with The Company is organized in an umbrella partnership-C corporation ("Up-C") structure in which the Closing business of the Business Combination on the Closing Date, certain Members of Holdings (the "Minority Interest Holders") retained an approximately 86.5% membership interest in Company is operated by Holdings and Biote received an approximately 13.5% ownership interest Biote's only material direct asset consists of equity interests in Holdings. As a result of share issuances subsequent to the Closing of the Business Combination, March 31, 2024, Biote's ownership of Holdings was approximately 54.1% as of September 30, 2023 54.7%. The Minority Interest Holders portion of the consolidated subsidiaries not owned by the Company and any related activity is presented as non-controlling interest in the unaudited condensed consolidated financial statements.

The non-controlling interest holders may from time to time, after the Closing Date, exchange with Biote, such holders' redeem their units in Holdings for an equal number of shares of Biote's Class A common stock. As a result, Biote's ownership interest in Holdings will continue to increase. The Minority Interest Holders' ownership interests are accounted for as noncontrolling interests in stock or, at the Company's condensed consolidated financial statements.

Because the Business Combination was accounted for similar to a reverse recapitalization, the noncontrolling interest was initially recorded based on the Minority Interest Holders' ownership interest in the pre-combination carrying value of Holdings' equity, including net income (loss) for the periods prior to the Closing Date included in accumulated deficit as election of the Closing Date. Subsequent to Company, cash. Because redemptions for cash are solely within the Business Combination, control of the Minority Interest Holders' Company, non-controlling interest is presented in the net income (loss) of Holdings after the Closing Date is allocated to noncontrolling interest.

In connection with the Business Combination, Biote issued the Minority Interest Holders an aggregate of 48,565,824 shares of Class V voting stock. The Class V voting stock provides no economic rights in Biote to the holder thereof; however, each holder of Class V voting stock is entitled to vote with the holders of Class A common stock of Biote, with each share of Class V voting stock entitling the holder to one vote per share of Class V voting stock at the time of such vote (subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications).permanent equity.

14. SHARE-BASED COMPENSATION

At the Closing of the Business Combination, Holdings' share-based compensation awards (as such terms are defined below) were converted into equity in Biote. Share information below has been converted from historical disclosure based on the equivalent shares received in the Business Combination.

Incentive Units

Holdings previously issued incentive units, which entitled the holder to participate in the net transaction proceeds from a change in control or qualifying liquidity event. Incentive units equivalent to 987,275 shares of Class V voting stock were vested as of December 31, 2021, and the Closing of the Business Combination triggered the vesting of the remaining incentive units equivalent to 6,356,178 shares of Class V voting stock. No compensation cost was recognized historically until the Closing of the Business Combination, and $50.0 million of share-based compensation expense was recognized at Closing related to the incentive units. As of September 30, 2023, there were no incentive units outstanding.

Restricted Stock Units (Including Phantom Equity Rights)

Holdings also previously authorized the grant of phantom equity rights, which entitled the holder to participate in the net transaction proceeds from a change in control or qualifying liquidity event. For current employees, these awards vest quarterly over a period of one or two years after a change in control or qualifying liquidity event, and each holder is entitled to receive a stated percentage of the net transaction proceeds in excess of certain thresholds in accordance with the terms of their respective award agreement. Awards related to former employees vest at the time of a change in control or qualifying liquidity event, and each holder is entitled to receive a stated percentage of the net transaction proceeds in excess of certain thresholds or a maximum amount in accordance with the terms of their respective award agreement. The Closing of the Business Combination met the performance condition in the phantom equity rights. No compensation cost was recognized historically until the Closing of the Business Combination.

The phantom equity rights are equity-classified awards. The grant date fair value of the phantom equity rights was determined using a Monte-Carlo simulation. The significant assumptions used in valuation include the constant risk-free rate, constant volatility factor and the Geometric Brownian Motion.

At the Closing of the Business Combination, Holdings' phantom equity rights related to former employees vested, and the Company recognized share-based compensation expense of $4.3 million related to these awards with an offsetting increase to equity based on the awards' grant-date fair value. At Closing, the Company exercised its option to settle the awards for cash in the amount of $7.3 million.

At the Closing of the Business Combination, Holdings' phantom equity rights related to current employees were replaced with 3,887,750 restricted stock units ("RSUs") of Biote. The RSUs will continue to vest according to their original terms, quarterly over a period of one or two years after the Closing of the Business Combination.

Since the Closing of the Business Combination, the Company continues to grant grants RSUs to certain employees under the *2022 Equity Incentive Plan* adopted on May 26, 2022. New RSUs issued and are valued at based on the closing price of the Company's Class A common stock price on the date of grant. The following table summarizes RSU activity during the nine three months ended September 30, 2023 March 31, 2024:

	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value
RSUs outstanding at December 31, 2022	1,622,840	$ 9.41	1,622,840	$ 9.41
Granted	42,238	$ 5.83	42,238	$ 5.83
Vested	(969,686)	$ 9.82	(1,250,512)	$ 9.73
RSUs outstanding at September 30, 2023	695,392	$ 8.62		
RSUs outstanding at December 31, 2023			414,566	$ 8.08
Granted			51,750	$ 4.00
Vested			(177,843)	$ 9.62
RSUs outstanding at March 31, 2024			288,473	$ 6.40

The Company recognized share-based compensation expense of $0.6 0.3 million and $3.1 1.3 million during the three and nine months ended September 30, 2023, March 31, 2024 and 2023, respectively, related to RSUs. As of September 30, 2023 March 31, 2024, there was $0.9 0.2 million of unrecognized share-based compensation expense related to unvested RSUs. This expense is expected to be recognized over a weighted-average remaining vesting period of 0.55 0.25 years.

Stock Options

Subsequent to the Closing of the Business Combination, the The Company began to grant grants stock options to certain employees, directors, and consultants under the *2022 Equity Incentive Plan* adopted on May 26, 2022. The following table summarizes stock option activity during the nine three months ended September 30, 2023 March 31, 2024:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)
Options outstanding at December 31, 2022	5,042,628	$ 3.86	9.5
Granted	3,727,607	$ 3.62	
Exercised	(105,049)	$ 4.00	
Forfeited	(577,275)	$ 4.22	

Options outstanding at September 30, 2023	8,087,911	$ 4.69	9.2
Options exercisable at September 30, 2023	184,014	$ 4.07	9.2

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	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)
Options outstanding at December 31, 2022	5,042,628	$ 3.86	9.5
Granted	4,286,005	$ 5.60	
Exercised	(105,049)	$ 4.00	
Forfeited	(1,081,868)	$ 4.69	
Options outstanding at December 31, 2023	8,141,716	$ 4.66	8.9
Granted	786,500	$ 5.60	
Exercised	(80,598)	$ 4.00	
Forfeited	(420,212)	$ 4.37	
Options outstanding at March 31, 2024	8,427,406	$ 4.63	8.9
Options exercisable at March 31, 2024	281,085	$ 4.35	8.8

The Company recognized share-based compensation expense of $1.6 1.4 million and $3.9 0.9 million during the three and nine months ended September 30, 2023, March 31, 2024 and 2023, respectively, related to stock options. As of September 30, 2023 March 31, 2024, there was $18.2 16.2 million of unrecognized share-based compensation expense related to unvested stock options. This expense is expected to be recognized over a weighted-average remaining vesting period of 3.12 2.87 years.

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The weighted-average assumptions used to estimate the fair value of stock options granted during the nine three months ended September 30, 2023 March 31, 2024 were as follows:

Expected term (in years)	6.1 6.2
Volatility	66.7 64.5 %

Risk-free rate	3.5 3.8 %
Dividend yield	0.0 %

Stock Purchase Plan

On May 26, 2022, the Company's Board of Directors approved the 2022 Employee Stock Purchase Plan (the ESPP). The Company's ESPP has a six-month offering period and a 15% purchase discount based on market prices on specified dates for 2023. The maximum number of shares of the Company's common stock that may be issued under the ESPP shall not exceed is equal to the sum of 797,724 shares (the "Initial Share Reserve") of the Company's common stock (the "Initial Share Reserve"), plus the number of shares of the Company's common stock that may be added to the ESPP annually each year for a period of up to 10 years. Additional shares added to the ESPP on an annual basis is equal to the lesser of 1% of the total number of shares of the Company's capital stock on December 31st the last day of the immediately preceding calendar year and the Initial Share Reserve.

During an offering period, employees make contributions to the ESPP through payroll deductions. At the end of each offering period, the accumulated contributions are used by the participating employees to purchase shares of the Company's common stock. The issue price of those shares is equal to the lesser of (i) 85% of the Company's stock price on the first day of the offering period, or (ii) 85% of the Company's stock price on the purchase date. No participant may purchase more than $25,000 of common stock in any calendar year, and the maximum number of shares a participant may purchase during a single offering period is 2,000 shares.

Full time employees who had been employed by the Company for at least one year were eligible to begin participating in the ESPP on May 15, 2023. The Company recognized share-based compensation expense of $0.03 million and $0.05 million for the three and nine months ended September 30, 2023 March 31, 2024 related to the ESPP. During the three months ended March 31, 2023, respectively, the Company did not recognize any compensation expense related to the ESPP. As of September 30, 2023 March 31, 2024, no 33,704 shares had been purchased under the ESPP.

15. LEASES

On July 1, 2014, the Company entered into a contract to lease office space in the Las Colinas Business Center in Irving, TX. Subsequent to execution of the contract, the Company revised the lease to include additional space and extend the lease term through June 30, 2023. On November 1, 2022, the Company executed an extension of lease leased office space to extend through November 30, 2028. This extension included an additional 3,700 square feet of space that will be became available for use in December 2023 and will be has been included in monthly rent payments accordingly.

The Company recognizes operating lease costs on a straight-line basis over the lease term within selling, general and administrative expense in the unaudited condensed consolidated statements of income operations and comprehensive income (loss). The following table contains a summary of the operating lease costs recognized under ASC 842 and supplemental cash flow information for leases:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022

Fixed lease expense	$ 112	$ 61	$ 311	$ 183
Total lease cost	$ 112	$ 61	$ 311	$ 183
Other information:				
Cash paid for amounts included in the measurement of lease liabilities	$ 103	$ 64	$ 214	$ 193

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	Three Months Ended March 31,	
	2024	2023
Fixed lease expense	$ 126	$ 112
Total lease cost	$ 126	$ 112
Other information:		
Cash paid for amounts included in the measurement of lease liabilities	$ 115	$ 64
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 324	$ —

The following table summarizes the balance sheet classification of the Company's operating leases, amounts of ROU assets and lease liabilities, the weighted average remaining lease term, and the weighted average discount rate for the Company's operating leases:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Lease assets				
Operating lease right-of-use assets	$ 1,953	$ 2,052	$ 2,202	$ 1,877
Total lease assets	$ 1,953	$ 2,052	$ 2,202	$ 1,877
Lease liabilities				
Current:				
Operating lease liabilities	$ 298	$ 165	$ 406	$ 311
Non-current:				
Operating lease liabilities	1,761	1,927	1,917	1,680
Total lease liabilities	$ 2,059	$ 2,092	$ 2,323	$ 1,991
Weighted-average remaining lease term — operating leases (years)	5.17	5.92	4.57	4.92

Weighted-average discount rate — operating leases	8.31 %	8.48 %	8.10 %	8.31 %

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The following table summarizes the payments by date for the Company’s operating lease, which is then reconciled to the total lease obligation:

As of September 30,	(in thousands)	
2023 (remaining three months)	110	
2024	461	
As of March 31,		**(in thousands)**
2024 (remaining nine months)		429
2025	478	590
2026	494	610
2027	511	630
2028		524
Thereafter	484	—
Total lease payments	2,538	2,783
Less: Interest	(479)	(460)
Present value of lease liabilities	$ 2,059	$ 2,323

16. INCOME TAXES

The Company is subject to U.S. federal and state taxes with respect to its allocable share of any taxable income or loss of Holdings as well as any stand-alone income or loss it generates. Holdings is treated as a partnership for U.S. income tax purposes federal and for most applicable state and local income tax purposes and generally does not pay income taxes in most jurisdictions. Instead, Holdings’ taxable income or loss is passed through to and included in the taxable income or loss of its Members, members, including the Company. Despite its status as a partnership in the United States, U.S., Holdings’ foreign subsidiaries are taxable entities operating in foreign jurisdictions. As such, these foreign subsidiaries may record a tax expense or benefit in jurisdictions where a valuation allowance has not been recorded.

As part of the Business Combination, On December 13, 2021, the Company entered into a tax receivable agreement with the TRA with certain stockholders then-existing non-controlling interest holders (the “TRA”) that will represent provides payments to be made to non-controlling interest holders of approximately 85% of the calculated amount of any tax savings based on the portion of basis adjustments on future exchanges of Holding’s units and other carryforward attributes assumed that benefits realized by the Company anticipates being able as a result of increases in the Company's share of the tax basis in the net assets of Holdings resulting from any redemptions of member units in exchange for Class A common stock or cash as well as tax basis increases attributable to utilize payments made under the TRA. The Company expects to benefit from the remaining 15% of any tax benefits realized. During the three months ended March 31, 2024, no units were redeemed that would have resulted in future years. As an increase in the tax basis of September 30, 2023, there have been exchanges of units the Company's investment in Holdings that would generate a additional deferred tax asset of $21.8 million for the Company and assets or a liability under the TRA of $18.5 million. TRA.

On a quarterly basis, the Company estimates the effective tax rate expected to be applicable for the full year and makes changes, if necessary, based on new information or events. The estimated annual effective tax rate is forecasted based on actual historical information and forward-looking estimates and is used to provide for income taxes in interim reporting periods. The Company also recognizes the tax impact of certain unusual or infrequently occurring items, such as the effects of changes in tax laws or rates and impacts from settlements with tax authorities, discretely in the quarter in which they occur. The Company recorded income tax expense (benefit) of $3.9 2.5 million and $0.2 0.6 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $5.4 million and ($0.05) million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

The Company continues to evaluate its deferred tax assets each period to determine if a valuation allowance is required based on whether it is more likely than not that some portion of these deferred tax assets will not be realized. As of September 30, 2023 March 31, 2024, the Company concluded that it is more likely than not that a substantial portion of the Company's federal deferred tax assets will be realized. As part of the Company's analysis, it considered both positive and negative factors that impact profitability and whether those factors would lead to a change in the estimate of its deferred tax assets that may be realized in the future. However, based on the Company's analysis, it has recorded a valuation allowance on the foreign deferred tax assets and the portion of outside basis

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difference related to Holdings' permanent book/tax differences as of September 30, 2023 March 31, 2024. The Company will continue to assess the likelihood of the realization of its deferred tax assets and the valuation allowance will be adjusted accordingly.

17. CAPITAL STOCK

On January 24, 2024, the Company's Board of Directors approved a share repurchase program authorizing the repurchase of up to $20.0 million its outstanding Class A common stock. Treasury stock purchases are stated at cost and presented as a reduction of equity on the unaudited condensed consolidated balance sheets. Repurchases of shares are made in accordance with applicable securities laws and may be made from time to time in the open market, in privately negotiated transactions or by other means. The timing of any repurchases under the share repurchase program is at the discretion of management and depends on a variety of factors, including

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market conditions, contractual limitations and other considerations. The share repurchase program may be expanded, modified, suspended or discontinued at any time, and does not obligate the Company to repurchase any dollar amount or number of shares.

As of March 31, 2024, the remaining balance of the repurchase program was $15.9 million. During the three months ended March 31, 2024, the Company purchased 740,921 shares of its Class A common stock for a total of $4.1 million, at an average purchase price per share of $5.41.

18. NET INCOME (LOSS) LOSS PER COMMON SHARE

The computation of basic and diluted net income (loss) loss per common share is based on net income (loss) loss attributable to Biote stockholders divided by the basic and diluted weighted average number of shares of Class A common stock outstanding, each for the period subsequent to the consummation of the Business Combination. outstanding. The following table sets forth the computation of net loss per common share:

(in thousands, except share and per share data)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net income (loss) per common share						
Net loss per common share						
Numerator:						
Net income (loss) attributable to biote Corp. stockholders (basic and diluted)	$ 7,530	$ 15	$ (4,418)	$ (2,591)		
Net loss attributable to biote Corp. stockholders (basic and diluted)					$ (2,070)	$ (6,805)
Denominator:						
Weighted average shares outstanding - basic	30,334,193	7,605,031	22,921,401	7,596,379	34,621,166	17,585,045

Effect of dilutive securities	707,052	—	—	—	—	—
Weighted average shares outstanding - diluted	31,041,245	7,605,031	22,921,401	7,596,379	34,621,166	17,585,045
Net income (loss) per common share						
Net loss per common share						
Basic	$ 0.25	$ —	$ (0.19)	$ (0.34)	$ (0.06)	$ (0.39)
Diluted	$ 0.24	$ —	$ (0.19)	$ (0.34)	$ (0.06)	$ (0.39)

On the Closing Date, the Company completed the Business Combination which materially impacted the number of shares outstanding, and the Company was organized in an Up-C structure. Net income (loss) loss per common share information for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 has been presented on a prospective basis and 2023 reflects only the net income (loss) loss attributable to holders of Biote's Class A common stock, as well as both basic and diluted weighted average Class A common stock outstanding, for periods subsequent to the Closing Date. outstanding. Net income (loss) per common share information prior to the Closing Date is not presented since the ownership structure of Holdings is not a common unit of ownership of the Company, and the resulting values would not be meaningful to the users of the condensed consolidated financial statements. Net income (loss) loss per common share is not separately presented for Class V voting stock since because it has no economic rights to the income or loss of the Company. Class V voting stock is considered in the calculation of dilutive net income (loss) loss per common share on an if-converted basis as these shares, together with the related Holdings Units, non-controlling interests, have Exchange Rights redemption rights into Class A common stock that could result in additional Class A common stock being issued. All other potentially dilutive securities are determined based on the treasury stock method. See Note 1 and Note 3 for more information regarding the Business Combination.

The Company excluded the following potential shares, presented based on amounts outstanding at each period end, from the computation of diluted weighted average shares outstanding for the periods indicated because including them would have had an antidilutive effect:

	Three Months Ended September 30,		**Nine Months Ended September 30,**		**Three Months Ended March 31,**	
	2023	**2022**	**2023**	**2022**	**2024**	**2023**
RSUs	—	2,905,015	695,392	2,905,015	288,473	1,196,632
Stock Options	3,686,536	4,250,173	8,087,911	4,250,173	8,427,406	5,026,279

Class V Voting Stock	28,819,066	48,565,824	28,819,066	48,565,824	28,819,066	40,612,566
Public Warrants	—	7,937,466	—	7,937,466	—	8,116,643
Private Placement Warrants	—	5,566,666	—	5,566,666	—	5,387,489
Earnout Voting Shares	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Sponsor Earnout Shares	1,587,500	1,587,500	1,587,500	1,587,500	1,587,500	1,587,500
	44,093,102	80,812,644	49,189,869	80,812,644	49,122,445	71,927,109

18. 19.COMMITMENTS AND CONTINGENCIES

Litigation Risk

From time to time, the Company may become involved in various legal actions arising in the ordinary course of business. Management is of the opinion that the ultimate liability, if any, from these actions will not have a material effect on its financial condition or results of operations.

The On April 23, 2024, the Company is currently involved in settled all outstanding litigation described below with one of the Company's stockholders, Dr. Gary S. Donovitz ("Donovitz") (the "Donovitz Litigation"). The outcome Company is currently evaluating the impact of the Donovitz Litigation, regardless of the merits, is inherently uncertain. At this point in time, the Company cannot predict the length of the Donovitz Litigation or the ultimate liability, if any, which may arise therefrom. In addition, litigation and related matters are costly and may divert the attention of the Company's management and other resources that would otherwise be engaged in other activities. However, the Donovitz Litigation is not expected to have a material adverse effect settlement on the its consolidated results of operations or and financial position of the Company. position.

On June 23, 2022June 23, 2022, Donovitz sued Haymaker Sponsor, LLC, the Company's outside legal counsel, and certain Company executive officers and directors in the District Court of Dallas County, Texas (the "Donovitz Dallas Action"), generally alleging fraud, fraudulent inducement, negligent misrepresentation, a breach of the covenant of good faith and fair dealing, breaches of fiduciary duties, and/or aiding and abetting those alleged breaches against the defendants (the “Donovitz Claims”). Donovitz subsequently dismissed without prejudice the Donovitz Claims brought in the Donovitz Dallas Action, and the Court entered an order of dismissal without prejudice on March 28, 2023.

On July 11, 2022, the Company sued Donovitz in the Delaware Court of Chancery, pursuing injunctive relief to prevent Donovitz from proceeding with the litigation in the Donovitz Dallas Action in Texas (the “First Delaware Action”). The Company seeks to enforce (a) the Company’s certificate of incorporation, which mandates that stockholders must bring certain actions, including some or all of the Donovitz Claims, exclusively in Delaware, and (b) the Business Combination Agreement, by which Donovitz consented to the exclusive jurisdiction of the Delaware Court of Chancery and agreed that Delaware law governs any related claims, including some or all of the Donovitz Claims. Pending a ruling from the Delaware Court of Chancery, Donovitz agreed to stay all answer dates in the Donovitz Dallas Action. Then, on March 23, 2023, Donovitz filed an amended answer and counterclaims in the First Delaware Action generally reasserting the Donovitz Claims he had previously brought in the Donovitz Dallas Action. On August 24, 2023, Donovitz filed amended counterclaims in the First Delaware Action, again generally reasserting the Donovitz Claims previously brought in the Donovitz Dallas Action but also asserting derivative claims against the Company’s directors. On October 23, 2023, the Company filed its response to Donovitz’s amended counterclaims.

On August 24, 2022, Donovitz sued the Company, including certain executive officers and directors of the Company, in the Delaware Court of Chancery, seeking (a) a status quo order preventing the defendants from diluting any stockholder’s equity or voting power, (b) an injunction requiring the defendants to convene a special meeting of the stockholders, and (c) a request to either void a portion of the Company’s Certificate of Incorporation or allow stockholders to elect directors to a vacancy on the board in accordance with Delaware General Corporate Law (the “Second Delaware Action”). On September 8, 2022, the Delaware Court of Chancery denied Donovitz’s request for injunctive relief, determining that expedited proceedings and a status quo order were both unwarranted and rejecting a mandated meeting of the stockholders.

On August 2, 2022, the Company sued Donovitz, Lani Hammonds Donovitz, and Lani D. Consulting in the District Court of Dallas County, Texas, seeking injunctive relief to enforce non-disparagement obligations of that certain founder advisory agreement with Donovitz and the independent contractor agreement with Lani Hammonds Donovitz, both of which were entered into by the subject parties in connection with the Business Combination (the “Biote Dallas Action”). The Company successfully obtained a temporary restraining order to enforce the non-disparagement obligations of Donovitz and Lani Hammonds Donovitz. The parties subsequently entered into an agreed order that the temporary restraining order will stay in effect until the entry of a final judgment. On August 23, 2022, the defendants filed an answer in the Biote Dallas Action, which included affirmative defenses to the Company’s claims and certain counterclaims and third-party claims against certain executive officers of the Company. On April 12, 2023, Lani Hammonds Donovitz, individually and on behalf of Lani D Consulting, dismissed with prejudice all of her counterclaims and third-party claims in the Biote Dallas Action, and subsequently agreed to a permanent injunction in favor of the Company, which was entered by the Court on April 17, 2023.

After the filing of the Biote Dallas Action, the Company amended its claim in the First Delaware Action to also seek an injunction to prevent Donovitz from proceeding with certain of the affirmative defenses, counterclaims, and third-party claims filed by the defendants on August 23, 2022. On November 4, 2022, the Delaware Court of Chancery denied that request for injunctive relief, permitting the Biote Dallas Action and all defenses and claims asserted therein to proceed in Texas.

A jury trial in the Biote Dallas Action was to commence on September 11, 2023, to address the Company's affirmative claim for breach of contract, request for a permanent injunction, as well as the counterclaims and third-party claims asserted by Donovitz. On August 17, 2023, Donovitz nonsuited without prejudice all of his counterclaims and third-party claims in the Biote Dallas Action, leaving only the Company's affirmative claim against Donovitz to be tried on September 11, 2023. On September 8, 2023, three days before the scheduled trial in the Biote Dallas Action, Donovitz agreed to stipulate that he breached his contract, and Donovitz agreed to a partial judgment and the entry of a permanent injunction against him, which was signed by the Court on September 9, 2023.

The Company sought recovery of its attorneys' fees against Donovitz in a jury trial that began on October 30, 2023. On November 2, 2023, the jury returned a verdict awarding the Company $4.7million plus the potential for an additional $0.2 million for future fees, which constituted all of the attorneys' fees that the Company had sought against Donovitz in the Biote Dallas Action.

26 On April 23, 2024, the Company and Donovitz executed a settlement agreement to resolve all remaining outstanding litigation with Donovitz. Pursuant to the settlement agreement, the Company has agreed to repurchase all of the Class A common units of BioTE Holdings, LLC, the Class V voting stock of Biote (together, "Paired Interests") and the Class A common stock of the Company, currently beneficially owned by Donovitz for approximately $76.9 million in the aggregate. The Company will repurchase the shares over a three-year period commencing on April 26, 2024. In addition, the Company and Donovitz have agreed to, among other things, (i) a customary mutual release of all claims arising out of or relating to the Donovitz Litigation, (ii) the termination of the founder advisory agreement, dated as of May 18, 2022, by and between Donovitz and BioTE Medical, LLC, (iii) two year non-compete and non-solicitation agreements for Donovitz and (iv) a voting agreement with customary terms acceptable to the Company.

On April 26, 2024, the Company repurchased 5,075,090 shares of Class A common stock and 3,117,299 Paired Interests for approximately $32.2 million. Additionally, under the terms of the settlement agreement, the Company canceled 3,985,887 earnout securities. The Company expects to record the impact of the settlement agreement during its second fiscal quarter ending June 30, 2024.

Tax Distributions

To the extent the Company has funds legally available, the board of directors will approve distributions to each stockholder on a quarterly basis, in an amount per share that, when added to all other distributions made to such stockholder with respect to the previous calendar year, equals the estimated federal and state income tax liabilities applicable to such stockholder as the result of its, his or her ownership of the units and the associated net taxable income allocated with respect to such units for the previous calendar year.

19. 20.RELATED-PARTY TRANSACTIONS

The Company utilized a professional services firm to perform accounting and tax services for the Company until June 30, 2022. Trusts whose beneficiaries are the children of a partner of the firm hold shares of the Company's Class V voting stock. The Company did not pay any fees to the firm during either the three months ended September 30, 2023 and 2022, respectively, or the nine months ended September 30, 2023. Fees paid to the firm were $0.03 million for the nine months ended September 30, 2022. Additionally, there were no amounts due to the firm as of September 30, 2023 and December 31, 2022.

A former employee of the Company is the beneficiary of a trust which holds shares of the Company's Class V voting stock, as well as being the child of the Company's founder who beneficially owns shares of the Company's Class V voting stock. The employment relationship with this employee was terminated in June 2022. The Company did not pay any compensation to this former employee during either the three months ended September 30, 2023 and 2022, respectively, or the nine months ended September 30, 2023. Compensation paid to this former employee was $0.1 million for the nine months ended September 30, 2022. Additionally, there were no amounts due to the former employee as of September 30, 2023 and December 31, 2022.

In addition to their previous employment by the Company, the above referenced former employee also owns a clinic which was a customer of the Company until June 2022. The Company did not recognize any revenue from this customer during the three and nine months ended September 30, 2023. Revenues recognized from sales to this customer were $0.1 million and $0.5 million for the three and nine months ended September 30, 2022, respectively. Additionally, there were no amounts due from this customer as of September 30, 2023 and December 31, 2022, respectively.

The Company purchases dietary supplements inventories from a vendor in which the Company's founder holds a minority interest. Inventory purchases from this vendor were $0.1 million and $0.4 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively and $0.6 million and $1.2 million for the nine months ended September 30, 2023 and 2022, 2023, respectively. Amounts due to the vendor were $0.4 million and $0.2 0.1 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

On May 18, 2022, BioTE Medical and Dr. Gary S. Donovitz entered into a founder advisory agreement effective and, as of and contingent upon, the Closing. Pursuant to the founder advisory agreement, Dr. Gary S. Donovitz May 26, 2022, transitioned from an officer and manager of BioTE Medical into the role of Founder Advisor and Senior Advisor (as defined in the founder advisory agreement) as of the Closing. . Pursuant to the founder advisory agreement, Dr. Gary S. Donovitz provides was obligated to provide strategic advisory services to BioTE Medical for a period of four years from the Closing, , unless terminated earlier pursuant to the terms of the founder advisory agreement, and will receive an annual fee equal to $0.3 million per year, continued coverage under BioTE Medical's employee benefits and reimbursement for reasonable and pre-approved business expenses. The founder advisor agreement was terminated effective April 23, 2024.

On May 18, 2022, BioTE Medical entered into an independent contractor agreement with Lani D. Consulting, The Company engages the services of its Chief Executive Officer's brother-in-law, Mr. Andy Thacker, through a company affiliated with Lani Hammonds Donovitz (the "New Independent Contractor Agreement"), the then current wife of the Company's founder who beneficially owns shares of the Company's Class V voting stock. Immediately upon the Closing, the New Independent Contractor Agreement replaced the independent contractor agreement dated consulting firm that is wholly owned by Mr. Thacker. He has been engaged for various projects such as of May 3, 2021, between Lani D. Consulting information technology projects and BioTE Medical. Pursuant project management. Total compensation paid to the New Independent Contractor Agreement, Lani D. Consulting provides certain services to BioTE Medical for a period of four years from the Closing, unless terminated earlier pursuant to the terms of the New Independent Contractor Agreement, and will receive an annual fee equal to consulting firm under this arrangement was $0.3 0.03 million per year and reimbursement for reasonable and pre-approved business expenses. During each of the three and nine months ended September 30, 2022, total compensation paid under both the independent contractor agreement dated May 3, 2021 March 31, 2024 and the New Independent Contractor Agreement was $0.04 million and $0.2 million, 2023, respectively. Additionally, there were no amounts due to the former employee as of September 30, 2023 Company reimbursed Mr. Thacker directly for travel and December 31, 2022. BioTE Medical terminated the New Independent Contractor Agreement, effective September 9, 2022. travel-related costs.

20. SUBSEQUENT EVENTS

The Company evaluated subsequent events from September 30, 2023 March 31, 2024, the date of these unaudited condensed consolidated financial statements, through November 13, 2023 May 10, 2024, which represents the date the unaudited condensed consolidated financial statements were issued, for events requiring adjustment to or disclosure in these condensed consolidated financial statements. There are no material events that require adjustment to or disclosure in these unaudited condensed consolidated financial statements.

27 Share Repurchase Program

Subsequent to March 31, 2024, the Company repurchased 256,043 shares of its outstanding Class A common stock for a total of $1.5 million, at an average price per share of $5.84, and cancelled the program.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Unless the context otherwise requires, all references in this section to the “Company,” “Biote,” “we,” “us, or “our” refer to the business of the BioTE Companies prior to the consummation of the Business Combination and to biote Corp. and its subsidiaries following the Business Combination, and “Holdings” refers to BioTE Holdings, LLC and its consolidated subsidiaries.

The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition. You should read this discussion and analysis in conjunction with the accompanying unaudited condensed consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q. Certain amounts may not foot due to rounding. This discussion and analysis contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described under the sections entitled discussed in “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” included elsewhere in this Quarterly Report on Form 10-Q. 10-Q and Part I, Item 1A. “Risk Factors” in the 2023 Form 10-K. We assume no obligation to update any of these forward-looking statements except as required by law. Actual results may differ materially from those contained in any forward-looking statements.

Overview

We operate a high growth practice-building business within the hormone optimization space. Similar to a franchise model, we provide the necessary components to enable Biote-certified practitioners to establish, build, and successfully implement a program designed to optimize hormone levels using personalized solutions for their aging patient populations. The Biote Method (the “Biote Method”) is a comprehensive, end-to-end practice building platform that provides Biote-certified practitioners with the components specifically developed for practitioners in the hormone optimization space: Biote Method education, training and certification, practice management software, inventory management software, and information regarding available hormone replacement therapy (“HRT”) products, as well as digital and point-of-care marketing support. We also sell a complementary Biote-branded line of dietary supplements. We generate revenue by charging the Biote-partnered clinics fees associated with the support Biote provides for HRT and from the sale of Biote-branded dietary supplements. By virtue of our historical performance over the past eleven 12 years, we believe that our business model has been successful, remains differentiated, and is well positioned for future growth.

Our go-to-market strategy focuses on:

- **Increase the number of Biote-certified practitioners**. Our primary objective in marketing to healthcare providers is to inform them of the value in joining the Biote network. We accomplish this through provider referrals, a dedicated sales force, and through digital and traditional marketing channels. We target specific physicians based on their specialty, prescribing data, demographic information and location match with our existing geographic footprint.

- **Grow the practice of our Biote-certified practitioners and Biote-partnered clinics**. When the practices of our Biote-certified practitioners and Biote-partnered clinics grow, we grow. We help our Biote-certified practitioners and Biote-partnered clinics grow by, among other things:
  - providing mentorship, practice management and marketing capability necessary to operate an efficient hormone optimization practice;
  - providing high-quality Biote-branded dietary supplement products;
  - providing Biote-certified practitioners and Biote-partnered clinics a full array of wellness education and marketing materials;
  - directing consumers that are actively seeking care to Biote-certified practitioners via the “Find A Provider” feature on our company website; and
  - utilizing our growing digital outreach capabilities to connect with consumers seeking general information.
- **Increasing sales of Biote-branded dietary supplements**. Our Biote-branded dietary supplement line currently includes 19 dietary supplements that we offer to our Biote-certified practitioners through our eCommerce site, efficiently leveraging our core Biote provider platform. Practitioners then re-sell Biote-branded dietary supplements to their patients, enabling patients to receive physician-guided therapies to manage the related effects of aging. In August 2021, we launched a Our direct-to-patient eCommerce platform whereby enables practitioners can to invite their patients to buy Biote-branded dietary supplements online via our online store.

The hormone pellet products used by Biote-certified practitioners are manufactured by third-party compounding pharmacies and shipped directly to Biote-certified practitioners. Custody of the pellets is with Biote-certified practitioners. However, the pellets are recorded as inventory on our financial statements from the date of shipment until such time as they are administered in a patient treatment as monitored and recorded in our BioTracker system as an additional service for administrative convenience of Biote-certified practitioners and Biote-partnered clinics.

These products have a finite life ranging from six to twelve months. We assume the risk of loss due to expiration, damage or otherwise. Additionally, the products offered in our Biote-branded dietary supplement portfolio are produced by third-party

manufacturers located in the United States. We contract with a third party to provide warehousing, co-packing and logistics services for our Biote-branded dietary supplements.

Revenue generated from individual Biote-partnered clinics varies significantly. This variability is due to many factors. These include: tenure of its practitioners as Biote-certified practitioners; the number of certified practitioners in an individual clinic; the number of patients served by a clinic; the clinic's patient demographics; and the clinic's geographic location and population density. The master services agreements ("MSAs") we enter into with Biote-partnered clinics contain tiered pricing provisions for the management fees. These provisions provide for decreasing management fees owed to us based on the number of new patients treated. This can result in declines in revenue we realize from management fees from existing Biote-partnered clinics unless these are offset by revenue generated from newly acquired Biote-partnered clinics which begin at higher fee levels under the MSA.

Our revenue was $45.6 million $46.8 million and $42.0 million $44.8 million, our net income loss was $19.6 million $5.8 million and $0.5 million $21.4 million, and our Adjusted EBITDA was $14.0 million $14.2 million and $12.2 million $13.1 million, for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively. Our revenue was $139.7 million and $120.5 million, our net loss was $14.9 million and $11.5 million, and our Adjusted EBITDA was $41.7 million and $37.0 million, for the nine months ended September 30, 2023 and 2022, 2023, respectively. Please refer to "Non-GAAP Measures" below for reconciliations of Adjusted EBITDA to the most directly comparable U.S. GAAP measure, net income loss and for additional information about Adjusted EBITDA.

Impact of Global Economic Trends

Global economic conditions have been worsening, challenging, with disruptions to, and volatility in, the credit and financial markets in the U.S. and worldwide resulting from the effects of public health crises and otherwise. If these conditions persist and deepen, we could experience an inability to access additional capital or our liquidity could otherwise be impacted. If we are unable to raise capital when needed or on attractive terms, we would be forced to delay, reduce or eliminate our research and development programs and/or other efforts. A recession or additional market corrections resulting from the impact of the effects of global health crises, such as the COVID-19 pandemic, or geopolitical turmoil, such as the Israel-Hamas war, could materially affect our business and the value of our securities. The impact of global health crises and the related disruptions caused to the global economy did not have a material impact on our business during the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

Additionally, the recent trends of fluctuating rising inflation may also materially adversely affect our business and corresponding financial position and cash flows. Inflationary factors, such as increases in the cost of our clinical trial materials and supplies, interest rates and overhead costs may adversely affect our operating results. Rising Relatively high interest and inflation rates also present a recent challenge impacting the U.S. economy and could make it more difficult for us to obtain traditional financing on acceptable terms, if at all, in the future. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience increases in the near future (especially if inflation rates continue to rise) on our operating costs, including our labor costs and research and development costs, due to supply chain constraints, consequences associated with global health crises and ongoing international conflicts such as the conflict between Russia and Ukraine and the Israel-Hamas war, and employee availability and wage increases, which may result in additional stress on our working capital resources.

Business Combination Recent Developments

On May 26, 2022 (the “Closing Date”) March 18, 2024, BioTE Holdings, LLC (“Holdings,” inclusive we acquired all the outstanding common stock of its direct Asteria Health, a 503B manufacturer of compounded bioidentical hormones. We paid cash compensation of $8.4 million with the potential to pay an additional $0.5 million as an earnout, based on meeting certain operating metrics.

On January 29, 2024, we acquired certain assets of BioSana for $0.7 million in cash and indirect subsidiaries, a future earnout payment of up to $0.1 million upon the “BioTE Companies,” and as to its members, achievement of certain operating metrics.

On January 2, 2024, we closed on the “Members”) completed a series of transactions (the “Business Combination”) with Haymaker Acquisition Corp. III (“Haymaker”), Haymaker Sponsor III LLC (the “Sponsor”), BioTE Management, LLC, Dr. Gary S. Donovitz, in his individual capacity, and Teresa S. Weber, in her capacity as the Members’ representative (in such capacity, the “Members’ Representative”) pursuant to the business combination agreement (the “Business Combination Agreement”) dated December 13, 2021. The Business Combination was accounted for as a common control transaction, in accordance with U.S. generally accepted accounting principles (”U.S. GAAP”). Under this method of accounting, Haymaker’s acquisition of Simpatra to purchase certain intellectual property and intellectual property rights. We paid $1.5 million in cash and issued 291,829 shares of our Class A common stock. Additionally, the BioTE Companies was accounted agreement provides for at their historical carrying values, and the BioTE Companies were deemed the predecessor entity. This method a future earnout payment of accounting is similar to 194,553 shares of our Class A common stock upon achieving certain financial targets over a reverse recapitalization whereby the Business Combination was treated as the equivalent of the BioTE Companies issuing stock for the net assets of Haymaker, accompanied by a recapitalization. The net assets of Haymaker are stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Business Combination are those of the BioTE Companies.

Following the Closing of the Business Combination, the Company is organized in an “Up-C” structure in which the business of the Company is operated by Holdings and its subsidiaries, and Biote’s only material direct asset consists of membership interests in Holdings.

In connection with the Business Combination, on the Closing Date, BioTE Medical entered into a credit agreement with Truist Bank and Truist Securities, Inc. providing for (i) the Revolving Loans, a $50.0 million senior secured revolving credit facility in favor of BioTE Medical and (ii) the Term Loan, a $125.0 million senior secured term loan A facility in favor of BioTE Medical, which was borrowed in full at the Closing Date.

four-year period.

Components of Results of Operations

Revenue

We sell Biote-partnered clinics the Biote Method, the components of which are specifically developed for practitioners in the hormone optimization space: Biote Method education, training and certification, practice management resources, inventory management resources, and digital and point-of-care-marketing support. Our revenue represents fees paid for the training, marketing support, practice development, equipment, IP licensing, and product sales of Biote-branded dietary supplements, physician-prescribed procedures, and pellet procedure convenience kits, or trocars.

Our revenue fluctuates in response to a combination of factors, including the following:

- sales volumes;
- the mix of male and female patients treated by Biote-certified practitioners, as treatment for males generates mor revenue per patient than treatment for females;
- our overall product mix of dietary supplements sold;
- the effects of competition on market share;

- new Biote-partnered clinics acquired as customers, less any existing clinics lost as customers (“net new clinics”);
- number of procedures performed by practitioners;
- medical industry acceptance of hormone optimization generally as a solution to unmet medical needs;
- the number of business days in a particular reporting period, including as a result of holidays;
- weather disruptions impacting medical offices’ ability to maintain regular operating schedules;
- the effects of competition and competitive pricing strategies;
- governmental regulations influencing our markets; and
- global and regional economic cycles.

Generally, our MSAs require us to provide (1) initial training to practitioners on the Biote Method, (2) inventory management services and (3) other contract-term marketing and practice development services (including recurring training and licenses of Biote IP). Historically, we have provided the optional free lease of reusable trocars by Biote-certified practitioners.

Substantially all of our revenue originates from sales to clinic locations in the United States.

Product Revenue

Product revenue includes both pellets, in connection with the service described above, and the related inventory management services provided to clinics. Product revenue is recognized at the point in time when the clinic obtains ownership of the pellet, which we determined to be when the Biote-certified practitioner performs the procedure to implant the pellet into their patient. The consideration allocated to this performance obligation is a procedure-based service fee which we refer to as procedure revenue. Our product revenue also includes revenue earned from sales of pellet insertion kits and Biote-branded dietary supplements. Revenue from the sale of pellet insertion kits and Biote-branded dietary supplements is recognized when the clinic or clinic's patient (supplements only) obtains control of the product and is generally at the time of shipment from our distribution facility or supplier. Any shipping or handling fees paid by clinics are also recorded within product revenue.

Service Revenue

Service revenue is revenue earned from fees paid by Biote-partnered clinics for training services and other contract term services pursuant to our MSAs. While the option to receive and right to use the reusable trocars through the term of the contract represents an embedded lease, we have adopted the practical expedient within ASC 842 to combine the lease and non-lease components and account for the combined component under ASC 606.

For Biote Method arrangements, we recognize revenue for trainings training and for management services over time. For initial trainings, training, progress is measured by the number of training sessions completed, and for contract-term services, progress is measured on a time-elapsed basis.

The training completion and time-elapsed bases represent the most reliable measure of transfer of control to the clinic for trainings training and contract-term services, respectively. Revenue is deferred for amounts billed or received prior to delivery of the services.

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Cost of Revenue

Cost of service revenue consists primarily of costs incurred to deliver trainings to Biote-partnered clinics. Cost of product revenues include the pass-through cost of pellets purchased from outsourcing facilities, the cost of pellet insertion kits and Biote-branded dietary supplements purchased from manufacturing facilities, and the shipping and handling costs incurred to deliver these products to Biote-partnered clinics.

Selling, General and Administrative Expense

Selling, general and administrative expense consists primarily of software licensing and maintenance and the cost of employees who engage in corporate functions, such as finance and accounting, information technology, human resources, legal, and executive management. Also included are rent occupancy costs, office expenses, recruiting expenses, entertainment allocations, depreciation and amortization, share-based compensation, transaction related expenses, other general overhead costs, insurance premiums, professional service fees, research and development and costs related to regulatory and legal matters and marketing expenses, and mentor fees. expenses.

Interest Expense, Net

Interest expense consists primarily of cash and non-cash interest under our Term Loan, commitment fees for our unused Revolving Loans and interest income earned on our money market account and short-term investment.

Gain (loss) Loss from Change in Fair Value of Warrant Liability

Gain (loss) from change in fair value of warrant liability consists of the change in fair value of the warrant liability during the period.

***Loss** from Change in Fair Value of Earnout Liability*

Gain (loss) Loss from change in fair value of earnout liability consists of the change in fair value of the Member and Sponsor earnouts during the period.

Loss from extinguishment of debt

Loss from extinguishment of debt consists of the remaining unamortized portion of the debt issuance costs related to the Bank of America Credit Agreement written off upon repayment in connection with the Business Combination.

Other Income / Expense

Other income and other expense consist of the foreign currency exchange gains and losses for sales denominated in foreign currencies and other income or payments not appropriately classified as operating expenses.

Income Taxes

We are subject to federal and state income taxes in the United States and taxes in foreign jurisdictions in which we operate. We recognize deferred tax assets and liabilities based on temporary differences between the financial reporting and income tax bases of assets and liabilities using statutory rates. We regularly assess the need to record a valuation allowance against net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

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Results of Operations

The table and discussion below present our results for the three months ended September 30, 2023 March 31, 2024 and 2022: 2023:

(in thousands)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022
Revenue:		
Product revenue	$ 44,831	$ 41,574
Service revenue	726	396
Total revenue	45,557	41,970
Cost of revenue		
Cost of products	13,070	12,750

Cost of services	1,097	587
Cost of revenue	14,167	13,337
Selling, general and administrative	23,791	20,818
Income from operations	7,599	7,815
Other income (expense), net:		
Interest expense, net	(1,530)	(1,408)
Gain (loss) from change in fair value of warrant liability	—	1,153
Gain (loss) from change in fair value of earnout liability	17,450	(6,840)
Other income (expense)	(3)	8
Total other income (expense), net	15,917	(7,087)
Income before provision for income taxes	23,516	728
Income tax expense	3,874	234
Net income	$ 19,642	$ 494

	Three Months Ended March 31,	
(in thousands)	**2024**	**2023**
Revenue:		
Product revenue	$ 46,035	$ 44,155
Service revenue	769	688
Total revenue	46,804	44,843
Cost of revenue		
Cost of products	12,802	13,027
Cost of services	565	850
Cost of revenue	13,367	13,877
Selling, general and administrative	23,010	23,085
Income from operations	10,427	7,881
Other income (expense), net:		
Interest expense, net	(1,660)	(1,646)
Loss from change in fair value of warrant liability	—	(1,618)
Loss from change in fair value of earnout liability	(12,089)	(25,410)
Other income (expense)	(2)	(7)
Total other income (expense), net	(13,751)	(28,681)
Loss before provision for income taxes	(3,324)	(20,800)
Income tax expense	2,486	630
Net loss	$ (5,810)	$ (21,430)

Revenue

Revenue for the three months ended September 30, 2023 March 31, 2024 increased $3.6 million $2.0 million to $45.6 million $46.8 million, or 8.5% 4.4%, compared to the three months ended September 30, 2022 March 31, 2023, which was primarily driven by a $2.4 million $2.3 million increase in revenue from pellet procedures, and partially offset by a $0.4 million increase $0.9 million decrease in Biote-branded dietary supplements. Additionally, Furthermore, service revenue increased 11.8% during the three months ended September 30, 2023, the number of active clinics billed increased 13.9% over the three months ended September 30, 2022. Furthermore, service revenue increased 83.3% during the three months ended September 30, 2023 March 31, 2024, compared with the corresponding period of the prior year, primarily as a result of an increase technology fees earned from physician orders placed through our new platform, BioteRx, partially offset by a reduction in the number of training sessions held revenue during the three months ended September 30, 2023 March 31, 2024, compared to the three months ended September 30, 2022 March 31, 2023.

Cost of revenue

Cost of revenue for the three months ended September 30, 2023 increased $0.8 million March 31, 2024 decreased $0.5 million, to $14.2 million $13.4 million, or 6.2% (3.7%), compared to the three months ended September 30, 2022 March 31, 2023. Cost of pellet procedures and Biote branded dietary supplements increased by $0.3 million, or 2.5% and $0.5 million, or 86.9%, respectively, decreased $1.1 million for the period due primarily to higher sales volume. as a result of a change in suppliers during the last half of 2023. This decrease in cost of revenue was partially offset by a $0.5 million increase in cost of pellet procedures, which was driven by the increase in revenue.

Selling, General and Administrative

Selling, general and administrative expense for the three months ended September 30, 2023 increased $3.0 million March 31, 2024 decreased $0.1 million to $23.8 million $23.0 million, or 14.3% 0.3%, compared to the three months ended September 30, 2022 March 31, 2023. This increase was primarily due to a $2.5 million $0.6 million increase in payroll and related expenses including a $1.5 million increase in stock compensation expense, that was driven by an increase in the Company's executive-level headcount, compared with the corresponding period of the prior year. Additionally, during the three months ended September 30, 2023 March 31, 2024, marketing general operating expenses increased $0.9 million $0.3

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million, compared with the three months ended March 31, 2023, due to an increase in merchant fees related to the increase in revenue and an increase in bad debt expense as a result of the Company's adoption of ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. During the three months ended March 31, 2024, legal fees increased $0.4 million, compared with the three months ended September 30, 2022, due to an increase in web-based marketing in an ongoing effort to increase awareness of the products and services offered by Biote-certified practitioners. During the three months ended September 30, 2023, legal fees increased $0.8 million, compared with the three months ended September 30, 2022 March 31, 2023, which was primarily driven by legal expenses incurred to acquire Asteria Health, Simpatra and BioSana and litigation expenses incurred to defend the Company against claims asserted by the Company's former owner. These increases were partially offset by a decreases $1.1 million decrease in professional fees of $0.9 million, which was driven by expenses related to a reduction legal settlement with a former employee that occurred in outsourced consulting services associated with the Business Combination. three months ended March 31, 2023.

Interest Expense, Net

Interest expense, net for the three months ended September 30, 2023 increased $0.1 million to $1.5 million March 31, 2024, or 8.6%, remained flat compared to the three months ended September 30, 2022 March 31, 2023. The immaterial increase was primarily a result of higher interest rates incurred during the period, partially offset by interest income earned on our money market account and our short-term investment. account.

Gain (loss) Loss from Change in Fair Value of Warrant Liability

The change in the gain (loss) loss from change in fair value of warrant liability was due to the Company's offer to exchange its outstanding warrants for common stock. On May 9, 2023, the Company announced the commencement of its offer to each holder of its outstanding warrants, the opportunity to receive shares of common stock in exchange for each warrant tendered by the holder. As a

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result of the tender offer in the second quarter of 2023, the Company exchanged all of its outstanding warrants for Class A common stock; therefore, no warrants remained outstanding subsequent to June 30, 2023.

Gain (loss) Loss from Change in Fair Value of Earnout Liability,

The gain (loss) loss recognized from change in fair value of the earnout liability was primarily due to the change in the closing price of our Class A common stock during the three months ended September 30, 2023 March 31, 2024 and 2022. 2023. For the three months ended September 30, 2023 March 31, 2024, the closing price of the Company's Class A common stock decreased 24.3% increased 17.0%, compared with an increase of 13.5% 66.0% in the corresponding period of 2022. 2023. The decrease increase in the closing price of our Class A common stock decreased the fair value of the earnout liability; therefore, the Company recognized a corresponding gain of $17.5 million for the three months ended September 30, 2023. In comparison, March 31, 2023 outpaced the increase in the closing price of our Class A common stock for the three months ended September 30, 2022 increased March 31, 2024, resulting in a decrease in the loss from change in the fair value of the earnout liability and resulted in a loss of $6.8 million. during the 2024 period.

Other Income (Expense)

The change in other income (expense) for the three months ended September 30, 2023 March 31, 2024, compared with the three months ended September 30, 2022 March 31, 2023, primarily resulted from foreign currency fluctuations during the period.

Income Tax Expense (Benefit)

Income tax expense for the three months ended September 30, 2023 March 31, 2024 increased $3.6 million $1.9 million, compared to the three months ended September 30, 2022. This increase in expense is primarily driven by $1.0 million in tax deductions the Company received as of September 30, 2022 in relation to the vesting of restricted stock units and the associated stock compensation expense as a result of the Business Combination. Additionally, the increase in tax expense is primarily a result of the increase in Biote's ownership of Holdings since the Closing Date.

The table and discussion below present our results for the nine months ended September 30, 2023 and 2022:

	Nine Months Ended September 30,	
(in thousands)	**2023**	**2022**
Revenue:		
Product revenue	$ 137,638	$ 119,121
Service revenue	2,019	1,351
Total revenue	139,657	120,472
Cost of revenue		
Cost of products	41,089	37,391
Cost of services	2,783	1,760
Cost of revenue	43,872	39,151
Selling, general and administrative	72,636	149,346
Income (loss) from operations	23,149	(68,025)
Other income (expense), net:		
Interest expense, net	(4,821)	(2,478)
Gain (loss) from change in fair value of warrant liability	(13,411)	4,552
Gain (loss) from change in fair value of earnout liability	(14,360)	54,840
Loss from extinguishment of debt	—	(445)
Other income (expense)	(14)	23
Total other income (expense), net	(32,606)	56,492
Loss before provision for income taxes	(9,457)	(11,533)
Income tax expense (benefit)	5,426	(48)
Net loss	$ (14,883)	$ (11,485)

Revenue

Revenue for the nine months ended September 30, 2023 increased $19.2 million to $139.7 million, or 15.9%, compared to the nine months ended September 30, 2022. During the nine months ended September 30, 2023, the number of active clinics billed increased 14.6% over the nine months ended September 30, 2022. Service revenue increased by

49.4% over the same period of the prior year resulting from an increase in the number of training sessions during the nine months ended September 30, 2023 compared to the nine months ended September 30, 2022.

Cost of revenue for the nine months ended September 30, 2023 increased $4.7 million, to $43.9 million, or 12.1%, compared to the nine months ended September 30, 2022. Cost of pellet procedures and Biote branded dietary supplements increased $3.7 million, or 9.9% and $1.0 million, or 58.1%, and respectively, for the period due primarily to higher sales volume.

Selling, General and Administrative

Selling, general and administrative expense for the nine months ended September 30, 2023 decreased $76.7 million to $72.6 million, or 51.4%, compared to the nine months ended September 30, 2022. This decrease was primarily driven by a $73.0 million decline in stock compensation expense compared to the nine months ended September 30, 2022, as the Closing of the Business Combination triggered the accelerated vesting of incentive units and phantom equity rights which were recognized to stock compensation expense for $79.2 million. Additionally, transaction expenses of $18.5 million were recognized during the nine months ended September 30, 2022 as part of the Closing of the Business Combination. These decreases were partially offset by a $4.9 million increase in payroll and related expenses due to an overall increase in headcount, compared with the corresponding period of the prior year. Additionally, during the nine months ended September 30, 2023, legal expenses increased $3.2 million due to litigation expenses incurred to defend the Company against claims asserted by the Company's former owner. During the nine months ended September 30, 2023, marketing expenses increased $1.5 million due to an increase in web-based marketing and the production of informational materials in an ongoing effort to increase awareness of the products and services offered by Biote-certified practitioners. The Company also entered into a $1.2 million legal settlement with a former employee during the nine months ended September 30, 2023.

Interest Expense, Net

Interest expense, net for the nine months ended September 30, 2023 increased $2.3 million to $4.8 million, or 94.5%, compared to the nine months ended September 30, 2022. The increase was primarily a result of the higher interest rates incurred during the period, partially offset by interest income earned on our money market account and our short-term investment.

Gain (loss) from Change in Fair Value of Warrant Liability

The change in the gain (loss) from change in fair value of warrant liability was primarily due to the Company's offer to exchange its outstanding warrants for common stock. On May 9, 2023, the Company announced the commencement of its offer to each holder of its outstanding warrants, the opportunity to receive shares of common stock in exchange for each warrant tendered by the holder. During the nine months ended September 30, 2023, the company issued common stock valued at $17.5 million in exchange for all outstanding warrants. The warrants were remeasured to fair value prior to each exchange, and in doing so, we recognized a net loss from the change in fair value of our warrant liability of $13.4 million for the nine months ended September 30, 2023.

Gain (loss) from Change in Fair Value of Earnout Liability

The gain (loss) recognized from change in fair value of the earnout liability was primarily due to the change in the closing price of our Class A common stock during the nine months ended September 30, 2023 and 2022. For the nine months ended September 30, 2023, the closing price of the Company's Class A common stock decreased 37.3%, compared with a increase of 32.2% in the corresponding period of 2022. The decrease in the closing price of our Class A common stock decreased the fair value of the earnout liability; therefore, the Company recognized a corresponding loss of $14.4 million for the nine months ended September 30, 2023. In comparison, the increase in the closing price of our Class A common stock for the nine months ended September 30, 2022 increased the fair value of the earnout liability and resulted in a gain of $54.8 million.

Other Income (Expense)

The change in other income (expense) for the nine months ended September 30, 2023 compared with the nine months ended September 30, 2022 primarily resulted from foreign currency fluctuations during the period.

Income Tax Expense (Benefit)

Income tax expense for the nine months ended September 30, 2023 increased $5.5 million to $5.4 million, compared to the nine months ended September 30, 2022 March 31, 2023. This increase in expense was primarily driven by $1.0 million an increase in tax deductions the Company received as of September 30, 2022 in relation forecasted taxable income for fiscal 2024 compared to the vesting of restricted stock units and the associated stock compensation expense as a result of the Business Combination. Additionally, the fiscal 2023. The increase in tax expense was a result of also attributable to the increase in Biote's ownership of Holdings since the Closing Date. as of March 31, 2024 compared to March 31, 2023.

Non-GAAP Measures

Adjusted EBITDA is a non-GAAP performance measure that provides supplemental information that we believe is useful to analysts and investors to evaluate the company's Company's ongoing results of operations when considered alongside net income, (the most directly comparable U.S. GAAP measure).

We use Adjusted EBITDA as alternative measures to evaluate our operational performance. We calculate Adjusted EBITDA by excluding from net income: interest expense; depreciation and amortization expenses; and income taxes. Additionally, we exclude certain expenses we believe are not indicative of our ongoing operations or operational performance. We present Adjusted EBITDA because it is a key measure used by our management to evaluate our operating performance, generate future operating plans and determining determine payments under compensation programs. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and

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should not be considered in isolation or as a substitute for financial information presented in accordance with U.S. GAAP. Some of these limitations are as follows:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may ha to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs; and
- Adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us.

In addition, Adjusted EBITDA is subject to inherent limitations as it reflects the exercise of judgment by Biote's management about which expenses are excluded or included. Other companies, including companies in our industry, may calculate Adjusted EBITDA or similarly titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our Adjusted EBITDA as a tool for comparison. Investors are encouraged to review the reconciliation, and not to rely on any single financial measure to evaluate our business.

The following is a reconciliation of net income (loss) loss to Adjusted EBITDA (in thousands) for the three and nine months ended September 30, 2023 March 31, 2024 and 2022: 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2023	2022	2023	2022
Net income (loss)	$ 19,642	$ 494	$ (14,883)	$ (11,485)
Interest expense, net	1,530	1,408	4,821	2,478
Income tax expense (benefit)	3,874	234	5,426	(48)
Depreciation and amortization	416	580	1,484	1,644
Loss from extinguishment of debt(1)	—	—	—	445
Share-based compensation expense(2)	2,243	746 `	7,060	80,016
Litigation expenses-former owner(3)	2,738	1,617	4,807	1,784
Litigation-other(4)	112	3	480	477
Legal settlement (gain) loss(5)	50	—	1,248	(62)
Transaction-related expenses(6)	290	1,172	2,086	20,649
Other expenses(7)	40	297	649	503
Merger and acquisition expenses(8)	552	—	733	—
(Gain) loss from change in fair value of warrant liability	—	(1,153)	13,411	(4,552)

(Gain) loss from change in fair value of earnout liability	(17,450)	6,840	14,360	(54,840)
Adjusted EBITDA	$ 14,037	$ 12,238	$ 41,682	$ 37,009

(in thousands)	Three Months Ended March 31, 2024	2023
Net Loss	$ (5,810)	$ (21,430)
Interest expense, net	1,660	1,646
Income tax expense	2,486	630
Depreciation and amortization	750	538
Share-based compensation expense(1) `	1,763	2,170
Litigation expenses-former owner(2)	601	530
Litigation-other(3)	70	184
Legal settlement (gain) loss(4)	—	1,198
Transaction-related expenses(5)	45	324
Other expenses(6)	85	268
Merger and acquisition expenses(7)	419	21
Loss from change in fair value of warrant liability	—	1,618
Loss from change in fair value of earnout liability	12,089	25,410
Adjusted EBITDA	$ 14,158	$ 13,107

(1) Represents unamortized debt issuance costs of $0.4 million charged to loss from extinguishment of debt upon full repayment of the Company's credit agreement with Bank of America.

(2) Represents employee compensation expense associated with equity-based stock awards. This includes expense associated with equity incentive instruments including phantom stock awards, stock options and restricted stock u

(3) (2) Represents legal expenses to defend the Company against claims asserted by the Company's former owner.

(4) (3) Represents litigation expenses other than those incurred in connection with claims asserted by the Company's for owner that are not related to the Company's ongoing business.

(5) (4) Represents settlements of legal matters.

(6) (5) Represents transaction costs including legal fees of $0.07 million and filing fees of $0.2 million $0.04 million during three months ended September 30, 2023 March 31, 2024, and legal fees of $0.9 million, filing fees of $0.2 million $ million and professional services fees of $1.0 million $0.02 million for the nine three months ended September 30, 2023 March 31, 2023, each of which were incurred in connection with the filing of, and transactions contemplated l the Company's securities offerings. For the three months ended September 30, 2022, this amount represents lega fees of $0.3 million, filing fees of $0.2 million, professional services fees of $0.03 million and consulting fees of les than $0.01 million. For the nine months ended September 30, 2022, this amount represents legal fees of $4.3 milli filing fees of $0.2 million, professional services fees of $3.8 million, consulting fees of $0.2 million, share redempti

costs of $7.2 million and transaction bonuses of $4.2 million, each of which were incurred in connection with the Business Combination that occurred during fiscal 2022.

(7) (6) Represents executive severance costs of $0.04 million $0.08 million and a realized foreign currency loss of less th $0.01 for the three months ended September 30, 2023 and March 31, 2024. For the three months ended March 31 2023, the amount represents executive severance costs of $0.3 million $0.06 million, a realized foreign currency lo of $0.02 million, legal fees of $0.1 million and professional services fees of $0.1 million associated with the restatement of the Company's financial statements for the quarters ended June 30, 2022 and September 30, 2022 and costs related to recruiting executive level management, including the Chief Commercial Officer of $0.2 million $0.03 million, professional services fees of $0.09 million and legal fees of $0.08 million associated with the restatement of the Company's financial statements for the nine months quarters ended September 30, 2023. For th three months ended June 30, 2022 and September 30, 2022, this amount represents executive severance costs o

$0.3 million and a realized foreign currency gain loss of less than $0.01 million. For the nine months ended Septen 30, 2022, this amount represents executive severance costs of $0.3 million, a realized foreign currency gain of $0. million, expenses related to the transition of the CFO of $0.07 million and private air transportation expense incurr by the Company's previous controlling stockholder of $0.2 million.

(8) (7) Represents legal fees of $0.4 million and professional services fees of $0.05 million, consulting fees of $0.1 millior and legal fees of $0.3 million incurred during the three months ended September 30, 2023 and professional fees o $0.05 million March 31, 2024 related to our recent acquisitions. For the three months ended March 31, 2023, consulting fees of $0.3 million and the amount represents legal fees of $0.4 million incurred during the nine months ended September 30, 2023 all of which were $0.02 million associated with strategic opportunities to expand the business.

Liquidity and Capital Resources

We derive Our liquidity is derived primarily from available cash and cash equivalents, cash generated from operations, capacity under our Revolving Loans and, when necessary, debt and equity financing activities. As of September 30, 2023, We believe that for at least the next 12 months, our balance of current cash and position, coupled with anticipated cash equivalents was $65.6 million, which was a decrease of $13.7 million, or 17.2%, compared to December 31, 2022. The decrease in cash and cash equivalents was driven by a transfer of $20.0 million to a six-month certificate of deposit, which matures in December 2023. Our total outstanding debt principal balance as of September 30, 2023 was $117.2 million, which represents a decrease of $4.7 million over the total outstanding debt principal balance as of December 31, 2022 of $121.9 million.

Our primary sources of cash are our cash flow generated from operations less amounts paid to fund operating expenses, and working capital requirements related to inventory, accounts payable and accounts receivable, and general and administrative expenditures. We primarily use cash the capacity under our revolving loans, is sufficient to fund our operations and our debt service obligations, fund operations, meet working capital requirements, capital expenditures and strategic investments. obligations. As of September 30, 2023 March 31, 2024 and December 31, 2023, we had cash and cash equivalents of $65.6 million $78.8 million and $89.0 million, a $50 million revolving line respectively. Additionally, as of credit both March 31, 2024 and a $20.0 million short-term certificate December 31, 2023, we had $50.0 million of deposit. Based on past performance and current expectations, we believe that Revolving Loans available under our current available sources of funds (including cash and cash equivalents plus proceeds from the Business Combination and debt financing) will be adequate to finance our operations, working capital requirements, capital expenditures, debt servicing obligations, and potential dividends for at least the next twelve months. Truist Credit Agreement.

Since our inception, we have financed our operations and capital expenditures primarily through capital investment from our founder and other members, debt financing in the form of short-term lines of credit and long-term notes payable, and net cash inflows from operations.

We expect our operating and capital expenditures to increase as we increase headcount, expand our operations and grow our clinic base. If additional funds are required to support our working capital requirements, acquisitions or other purposes, we may seek

to raise funds through additional debt or equity financings or from other sources. If we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our equity holders could be significantly diluted, and these newly issued securities may have rights, preferences or privileges senior to those of existing equity holders. If we raise additional funds by obtaining loans from third parties, the terms of those financing arrangements may include negative covenants or other restrictions on our business that could impair our operating flexibility and also require us to incur additional interest expense. We can provide no assurance that additional financing will be available at all or, if available, that we would be able to obtain additional financing on terms favorable to us.

Cash Flows

The following table summarizes our unaudited condensed consolidated cash flows:

	Nine Months Ended September 30,		Three Months Ended March 31,	
(in thousands)	**2023**	**2022**	**2024**	**2023**
Consolidated Statements of Cash Flows Data:				
Net cash provided by (used in) operating activities	$ 19,927	$ (15,208)		
Net cash provided by operating activities			$ 7,372	$ 12,992
Net cash used in investing activities	(21,709)	(1,527)	(12,176)	(380)
Net cash provided by (used in) financing activities	(11,855)	67,436		
Net cash used in financing activities			(5,409)	(4,235)

Operating Activities

Cash flows from operating activities result primarily from fees associated with the Biote Method and from the sale of Biote branded dietary supplements. Cash flows from operating activities are affected by earnings levels and changes in working capital related to our business. Working capital varies from period to period and can be affected by changes in our inventory levels due to varying demand for our products.

Net cash provided by (used in) operating activities for the nine three months ended September 30, 2023 increased $35.1 million as March 31, 2024 decreased $5.6 million to $7.4 million compared to the nine months ended September 30, 2022. Net loss, adjusted for non-cash expenses such as depreciation and amortization, provisions for bad debts, stock compensation, change in fair value of warrants and earnout liabilities, and provisions for obsolete inventories, among others, resulted in a net increase of $13.5 million as compared to the prior period. The increase in net cash provided by operating activities of $13.0 million for the three months ended March 31, 2023. Our cash flow from working capital for the three months ended March 31, 2024, was primarily due impacted by a slight decrease in our dietary supplement inventory of $0.2 million for the three months ended March 31, 2024 compared with a $1.8 million decrease for the three months ended March 31, 2023. Additionally, because the Company paid annual 2023 bonuses to $31.1 million of transaction closing costs that were assumed as employees in March 2024, compared to paying 2022 annual bonuses in April 2023, accrued expenses in 2022 and subsequently paid upon completion of decreased during the Business Combination. Additionally, there was a $3.1 million decrease in working capital due three months ended March 31, 2024 compared to an increase in advances made to certain vendors and increases in accounts receivable of $1.6 million the three months ended March 31, 2023.

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Investing Activities

Net cash used in investing activities increased $11.8 million to $12.2 million for the nine three months ended September 30, 2023 increased by $20.2 million as March 31, 2024, compared to $0.4 million for the nine three months ended September 30, 2022 March 31, 2023. This increase was principally driven by the purchase acquisition of a six-month certificate of deposits of $20 million. Asteria Health, Simpatra and BioSana.

Financing Activities

Net cash used in financing activities increased $1.2 million to $5.4 million for the nine three months ended September 30, 2023 increased $79.3 million as March 31, 2024, compared to $4.2 million for the three months ended March 31, 2023. The increase in our cash flow used in financing activities was primary driven by the repurchase of $4.1 million of our Class A common stock during the three months ended March 31, 2024. This increase was partially offset by a $3.0 million reduction in distributions to our partners during the three months ended March 31, 2024, compared to the nine three months ended September 30, 2022 March 31, 2023. The increase was primarily due to the execution of the term loan with Truist Bank that included borrowings of $125.0 million as of the Closing Date as well as proceeds of $12.3 million in relation to the Business Combination with Haymaker that did not recur in the current year. This net increase was offset by debt issuance costs of $4.0 million, the extinguishment of the term loan with Bank of America of $36.3 million, and capitalized transaction costs of $8.3 million that were all incurred in relation to the Business Combination.

Critical Accounting Policies and Estimates

The preparation discussion and analysis of our financial condition and results of operations are based upon our unaudited condensed consolidated financial statements, and related disclosures which have been prepared in accordance with U.S. GAAP requires our management to GAAP. In preparing the unaudited condensed consolidated financial statements, we make judgments, assumptions estimates and estimates judgments that affect the reported amounts reported in our accompanying consolidated financial statements of assets, liabilities, revenue, expenses, and the accompanying notes included elsewhere in this Quarterly Report.

Our management bases its estimates and judgments on historical experience, current economic and industry conditions and on various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

related contingent liabilities. The methods, estimates, and judgments that we use in applying our accounting policies have a significant impact on the results that we report in our unaudited condensed consolidated financial statements. Some of our accounting policies require us to make difficult and subjective judgments, often as a result of the need to make estimates regarding matters that are inherently uncertain. Our estimates are based on historical experience, current economic and industry conditions and on various other assumptions that we believe to be reasonable under the circumstances. Because of the uncertainty inherent in these matters, actual results may differ from these estimates and could differ based upon other assumptions or conditions.

Our most See Note 2, Significant Accounting Policies, to the audited consolidated financial statements included in our 2023 Form 10-K for more information about our significant accounting policies, including our critical accounting policies. The critical accounting estimates include revenue recognition, that reflect our most significant judgments and estimates used in the valuation preparation of inventory, the valuation of stock compensation, the valuation of earnout liability and the valuation of warrant liability.

Our significant accounting policies our consolidated financial statements are described in *Note 2*Part II, Item 7 “Management's Discussion and Analysis of Financial Condition and Results of Operations,” included in our 2023 Form 10-K. During the three months ended March 31, 2024, there were no material changes to our condensed consolidated financial statements. We believe that the accounting policies described reflect our most critical accounting policies and estimates which represent from those that involve a significant degree of judgment and complexity. Accordingly, we believe these policies are critical discussed in fully understanding and evaluating our reported financial condition and results of operations. 2023 Form 10-K.

Revenue Recognition 27

We recognize revenue in accordance with FASB ASU 2014-09, *Revenue from Contracts with Customers*, and subsequent amendments (collectively, “ASC 606”).

To determine revenue recognition for arrangements within the scope of ASC 606, we perform the following five steps: (1) identify the contract(s) with a clinic; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) we satisfy performance obligations. We recognize revenue when the control of the promised goods or services is transferred to Biote-partnered clinics in an amount that reflects the consideration we expect to receive in exchange for such goods or services.

The majority of our revenue is derived from our long-term service agreements for Biote-partnered clinics of the Biote Method. In determining the transaction price, we evaluate whether the price is subject to discounts or adjustments to determine the net consideration to which we expect to be entitled.

Revenue is recognized when control of the product or service is transferred to the clinic (i.e., when our performance obligation is satisfied), which varies between the different performance obligations within the contract. In determining whether control has transferred for a product, we consider if there is a present right to payment and legal title, and whether risks and rewards of ownership have transferred to the clinic. For services, we consider whether we have an enforceable right to payment and when the clinic receives the benefits of our performance.

Inventories

Our inventories consist of physician-prescribed pellets used by Biote-certified practitioners in partnered clinics and Biote-branded dietary supplements which are sold and distributed to the Biote-partnered clinics and their patients. Custody of the pellets remains with Biote-certified practitioners. The pellets are presented as inventory on our financial statements from the date of shipment until such time as they are administered in a treatment by a Biote-certified practitioner on their patient for the convenience of Biote-certified practitioners and Biote-partnered clinics. Beginning the quarter ended June 30, 2021, we maintained our Biote-branded dietary supplement inventory at a third-party facility that provides Biote with co-packing and logistics services in the distribution of these products.

Inventories are valued at the lower of cost or net realizable value. We regularly review our inventories and write down our inventories for estimated losses due to obsolescence or expiration. The allowance for pellets is determined based on the age of the specific manufacturing lots of the product and its remaining life until expiration. Dietary supplements are evaluated at the product level based on sales of our products in the recent past and/or expected future demand. Future demand is affected by market conditions, new products and strategic plans, each of which is subject to change with little or no forewarning. In estimating obsolescence, we utilize information that includes projecting future demand.

The need for strategic inventory levels to ensure competitive delivery performance to our Biote-partnered clinics are balanced against the risk of inventory obsolescence due to clinic requirements.

Share-Based Compensation

Share-based compensation awards previously granted by Holdings were valued using a Monte-Carlo simulation as of the grant date because the value of the awards was dependent on future distributions to be received from a change in control or qualifying liquidity event. The significant assumptions used in the valuation include the constant risk-free rate, constant volatility factor and the Geometric Brownian Motion.

Earnout Liability

Our earnout liability was valued using a Monte-Carlo simulation in order to simulate the future path of our stock price over the earnout period. The carrying amount of the liability may fluctuate significantly and actual amounts paid may be materially different from the liability's estimate value. The significant assumptions used in the valuation include the Company's stock price, volatility and the drift rate.

Warrant Liability

We valued the 5,566,666 private placement warrants sold to the Sponsor (the "Private Placement Warrants") using a Monte-Carlo simulations in order to simulate the future path of our stock price over the term of the Private Placement Warrants. The carrying amount of the liability may fluctuate significantly and actual amounts paid may be materially different from the liability's estimated value. The significant assumptions used in the valuation include the Company's stock price, exercise price, risk-free rate, volatility and term.

TRA Liability

The Company entered into a tax receivable agreement (the "TRA") with certain selling equity holders of Holdings that requires the Company to pay 85% of the tax savings that are realized due to increases in the tax basis in Holdings' assets. This increase results from the exchange of Retained Holdings Units and shares of Class V voting stock for shares of Class A common stock of Biote, as well as from tax benefits attributable to payments under the TRA. The Company will retain the benefit of the remaining 15% of the cash savings.

We calculated the fair value of the future payments to be made under the TRA at the time of the exchange and identified the timing of the utilization of the tax attributes pursuant to ASC 805 and relevant tax laws. Interest will accrue on the TRA liability. In addition, under ASC 450, Contingencies, any transactions with Holdings' Members after the exchange date will result in additional TRA liabilities which will be recorded on a gross undiscounted basis.

The calculation of the TRA liability includes a significant amount of judgment related to the timing and amount of Retained Holdings Units and shares of Class V voting stock exchanged for shares of Class A common stock of Biote, forecasted operating results of Biote and anticipated interest rates used to accrue interest on the liability. If our assumptions change or we experience significant volatility in our operating results forecast, the fair value calculated from period to period could be materially different.

Recently Issued and Adopted Accounting Pronouncements

See For a description of recent accounting pronouncements, see "Recently Adopted Accounting Pronouncements" and "Recent Accounting Pronouncements Not Yet Adopted" in Note 2 to our the unaudited condensed consolidated financial statements for a discussion of accounting pronouncements recently adopted and recently issued accounting pronouncements not yet adopted and their potential impact to our financial statements. included elsewhere in this Quarterly Report.

JOBS Act Accounting Election

We are an emerging growth company, as defined in Section 2(a) of the Securities Act of 1933, as amended (the “Securities Act”), as modified by the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). Section 107 of the JOBS Act provides that an emerging growth company can take advantage of an extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards applicable to public companies, allowing them to delay the adoption of those standards until those standards would otherwise apply to private companies. We have elected to use this extended transition period under the JOBS Act. As a result, following the Business Combination, our consolidated financial statements may not be comparable to the financial statements of companies that are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our common stock less attractive to investors.

We will remain an emerging growth company under the JOBS Act until the earliest of (i) March 4, 2026, (ii) the last date of our fiscal year in which we have total annual gross revenue of at least $1.235 billion, (iii) the date on which we are deemed to be a “large

accelerated filer” under the rules of the SEC with at least $700.0 million of outstanding securities held by non-affiliates or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the previous three years.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Item 10 of Regulation S-K and are not required to provide the information otherwise required under this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms and (2) accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023 March 31, 2024. Based upon the evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were not effective at a reasonable assurance level based on the prior material weakness that existed in our internal control over financial reporting as described below. Notwithstanding the identified material weakness, management, including our Chief Executive Officer and Chief Financial Officer, believes the unaudited condensed consolidated financial statements included in this Quarterly Report fairly present, in all material respects, our financial condition, results of operations and cash flows at and for the periods presented in accordance with U.S. GAAP.

Remediation Efforts to Address Previously Reported Material Weaknesses in Internal Control Over Financial Reporting

In the course of preparing financial statements for the fiscal years ended December 31, 2020 and 2019, we identified a material weakness in the aggregate in our internal control over financial reporting. Specifically, we determined that we did not have appropriate accounting competence and capabilities to properly record in our financial statements certain complex and non-routine accounting issues, particularly related to revenue recognition, financial instruments, and equity. This resulted in incorrect accounting entries that were identified and corrected through the audit of our fiscal years ended December 31, 2020 and 2019. In addition, this material weakness resulted in errors in the financial statements and related disclosures in our Quarterly Reports on Form 10-Q for the quarters ended June 30, 2022 and September 30, 2022. Additionally, we identified control issues related to information technology general controls in connection with change management, user access controls and segregation of duties as it relates to user access controls. This material weakness has not been remediated as of September 30, 2023 March 31, 2024.

In order to address this previously reported material weakness, we hired additional accounting and finance personnel with technical accounting and financial reporting experience as well as implemented procedures and controls in the financial statement close process, which include enhanced system capabilities in most areas, enhanced reconciliation controls, enhanced review controls and financial close checklists which ensure all necessary reviews and reconciliations are occurring as designed. Additionally, we also have access to accounting training, literature, research materials and increased communication among our personnel and outsourced

third-party professionals with whom we may consult regarding the application of complex accounting transactions. We are reviewing and assessing access within our information systems in light of our limited staff and will implement mitigating controls where proper segregation may not be feasible. Additionally, we plan to implement user access reviews for key systems.

Our remediation plan can only be accomplished over time and will be continually reviewed to determine that we are achieving our objectives. There is no assurance that these initiatives will ultimately have the intended effects. The material weakness will not be considered remediated until our management designs and implements effective controls that operate for a sufficient period of time and our management has concluded through testing that these controls are effective. Although we are working to remediate the identified material weakness, we can provide no assurance that the material weakness will be remediated during fiscal year 2023. 2024.

Changes in Internal Control over Financial Reporting

There Other than the material weakness remediation activities described above, there were no changes in our internal control over financial reporting, as identified in connection with evaluation required by Rules 13a-15(d) and 15d-15(d) under the Exchange Act, that occurred during the three months ended September 30, 2023 March 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Unless the context otherwise requires, all references in Part II of this Quarterly Report to the "Company," "Biote," "we," "us, or "our" refer to the business biote Corp, inclusive of the Biote Companies prior to the consummation of the business combination and to biote Corp. and its consolidated subsidiaries, following the Business Combination and, unless otherwise noted, "Holdings" refers to BioTE Holdings, LLC, together with its direct and its consolidated indirect subsidiaries.

Item 1. Legal Proceedings.

From time to time, we may be involved in various legal proceedings and subject to claims that arise in the ordinary course of business. Although the results of litigation and claims are inherently unpredictable and uncertain, we are not currently a party to any legal proceedings the outcome of which, if determined adversely to us, are believed to, either individually or taken together, have a material adverse effect on our business, operating results, cash flows or financial condition. Regardless of the outcome, litigation has the potential to have an adverse impact on us due to defense costs and possible settlement expenses, diversion of management resources and other factors.

Donovitz Litigation

The On April 23, 2024, the Company is currently involved in settled all outstanding litigation described below with one of the Company's stockholders, Dr. Gary S. Donovitz ("Donovitz") (the "Donovitz Litigation"). The outcome We are currently evaluating the impact of the Donovitz Litigation, regardless of the merits, is inherently uncertain. At this point in time, the

Company cannot predict the length of the Donovitz Litigation or the ultimate liability, if any, which may arise therefrom. In addition, litigation and related matters are costly and may divert the attention of the Company’s management and other resources that would otherwise be engaged in other activities. However, the Donovitz Litigation is not expected to have a material adverse effect settlement on the its consolidated results of operations or and financial position of the Company. position.

On June 23, 2022, Donovitz sued Haymaker Sponsor, LLC, the Company’s outside legal counsel, and certain Company executive officers and directors in the District Court of Dallas County, Texas (the “Donovitz Dallas Action”), generally alleging fraud, fraudulent inducement, negligent misrepresentation, a breach of the covenant of good faith and fair dealing, breaches of fiduciary duties, and/or aiding and abetting those alleged breaches against the defendants (the “Donovitz Claims”). Donovitz subsequently dismissed without prejudice the Donovitz Claims brought in the Donovitz Dallas Action, and the Court entered an order of dismissal without prejudice on March 28, 2023.

On July 11, 2022, the Company sued Donovitz in the Delaware Court of Chancery, pursuing injunctive relief to prevent Donovitz from proceeding with the litigation in the Donovitz Dallas Action in Texas (the “First Delaware Action”). The Company seeks to enforce (a) the Company’s certificate of incorporation, which mandates that stockholders must bring certain actions, including some or all of the Donovitz Claims, exclusively in Delaware, and (b) the Business Combination Agreement, by which Donovitz consented to the exclusive jurisdiction of the Delaware Court of Chancery and agreed that Delaware law governs any related claims, including some or all of the Donovitz Claims. Pending a ruling from the Delaware Court of Chancery, Donovitz agreed to stay all answer dates in the Donovitz Dallas Action. Then, on March 23, 2023, Donovitz filed an amended answer and counterclaims in the First Delaware Action generally reasserting the Donovitz Claims he had previously brought in the Donovitz Dallas Action. On August 24, 2023, Donovitz filed amended counterclaims in the First Delaware Action, again generally reasserting the Donovitz Claims previously brought in the Donovitz Dallas Action but also asserting derivative claims against the Company’s directors. On October 23, 2023, the Company filed its response to Donovitz’s amended counterclaims.

On August 24, 2022, Donovitz sued the Company, including certain executive officers and directors of the Company, in the Delaware Court of Chancery, seeking (a) a status quo order preventing the defendants from diluting any stockholder’s equity or voting power, (b) an injunction requiring the defendants to convene a special meeting of the stockholders, and (c) a request to either void a portion of the Company’s Certificate of Incorporation or allow stockholders to elect directors to a vacancy on the board in accordance with Delaware General Corporate Law (the “Second Delaware Action”). On September 8, 2022, the Delaware Court of Chancery denied Donovitz’s request for injunctive relief, determining that expedited proceedings and a status quo order were both unwarranted and rejecting a mandated meeting of the stockholders.

On August 2, 2022, the Company sued Donovitz, Lani Hammonds Donovitz, and Lani D. Consulting in the District Court of Dallas County, Texas, seeking injunctive relief to enforce non-disparagement obligations of that certain founder advisory agreement with Donovitz and the independent contractor agreement with Lani Hammonds Donovitz, both of which were entered into by the subject parties in connection with the Business Combination (the “Biote Dallas Action”). The Company successfully obtained a temporary restraining order to enforce the non-disparagement obligations of Donovitz and Lani Hammonds Donovitz. The parties subsequently entered into an agreed order that the temporary restraining order will stay in effect until the entry of a final judgment. On August 23, 2022, the defendants filed an answer in the Biote Dallas Action, which included affirmative defenses to the Company's claims and certain counterclaims and third-party claims against certain executive officers of the Company. On April 12, 2023, Lani Hammonds Donovitz, individually and on behalf of Lani D Consulting, dismissed with prejudice all of her counterclaims and

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third-party claims in the Biote Dallas Action, and subsequently agreed to a permanent injunction in favor of the Company, which was entered by the Court on April 17, 2023.

After the filing of the Biote Dallas Action, the Company amended its claim in the First Delaware Action to also seek an injunction to prevent Donovitz from proceeding with certain of the affirmative defenses, counterclaims, and third-party claims filed by

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the defendants on August 23, 2022. On November 4, 2022, the Delaware Court of Chancery denied that request for injunctive relief, permitting the Biote Dallas Action and all defenses and claims asserted therein to proceed in Texas.

A jury trial in the Biote Dallas Action was to commence on September 11, 2023, to address the Company's affirmative claim for breach of contract, request for a permanent injunction, as well as the counterclaims and third-party claims asserted by Donovitz. On August 17, 2023, Donovitz nonsuited without prejudice all of his counterclaims and third-party claims in the Biote Dallas Action, leaving only the Company's affirmative claim against Donovitz to be tried on September 11, 2023. On September 8, 2023, three days before the scheduled trial in the Biote Dallas Action, Donovitz agreed to stipulate that he breached his contract, and Donovitz agreed to a partial judgment and the entry of a permanent injunction against him, which was signed by the Court on September 9, 2023.

The Company sought recovery of its attorneys' fees against Donovitz in a jury trial that began on October 30, 2023. On November 2, 2023, the jury returned a verdict awarding the Company $4.7million plus the potential for an additional $0.2 million for future fees, which constituted all of the attorneys' fees that the Company had sought against Donovitz in the Biote Dallas Action.

On April 23, 2024, the Company and Donovitz executed a settlement agreement to resolve all remaining outstanding litigation with Donovitz. Pursuant to the settlement agreement, the Company has agreed to repurchase all of the Class A common units of BioTE Holdings, LLC, the Class V voting stock of Biote (together, "Paired Interests") and the Class A common stock of the Company, currently beneficially owned by Donovitz for approximately $76.9 million in the aggregate. The Company will repurchase the shares over a three-year period commencing on April 26, 2024. In addition, the Company and Donovitz have agreed to, among other things, (i) a customary mutual release of all claims arising out of or relating to the Donovitz Litigation, (ii) the termination of the founder advisory agreement, dated as of May 18, 2022, by and between Donovitz and BioTE Medical, LLC, (iii) two year non-compete and non-solicitation agreements for Donovitz and (iv) a voting agreement with customary terms acceptable to the Company.

On April 26, 2024, the Company repurchased 5,075,090 shares of Class A common stock and 3,117,299 Paired Interests for approximately $32.2 million. Additionally, under the terms of the settlement agreement, the Company canceled 3,985,887 earnout securities. The Company expects to record the impact of the settlement agreement during its second fiscal quarter ending June 30, 2024.

Item 1A. Risk Factors.

Summary of Risk Factors

The following is a summary of the risk factors our business faces. The list below is not exhaustive, and investors should read this "Risk Factors" section in full. Some of the risks we face include:

Summary of Risks Related to Our Industry and Business

- Our success will depend upon whether the Biote Method and our Biote-branded dietary supplements attain signific market acceptance among clinics, practitioners and their patients.
- Outsourcing facilities that produce bioidentical hormone pellets that we offer training on in the Biote Method and failure by those parties to adequately perform their obligations could harm our business.
- We and Biote-certified practitioners and Biote-partnered clinics are reliant on AnazaoHealth Corporation, Right Val Drug Stores, LLC, and F.H. Investments, Inc. to support the manufacturing of bio-identical hormones for prescriber
- Biote-certified practitioners and Biote-partnered clinics are concentrated in certain geographic regions, which mak us sensitive to regulatory, economic, environmental and competitive conditions in those regions.
- The frequency of use by practitioners and clinics of the Biote Method may not increase at the rate that we anticipa or at all.
- Adoption of the Biote Method depends upon appropriate practitioner training, and inadequate training may lead to negative patient outcomes and adversely affect our business.
- The continuing development of our training depends upon our maintaining strong working relationships with Biote-certified practitioners and other medical personnel.
- We believe our long-term value as a company will be greater if we focus on growth, which may negatively impact results of operations in the near term.
- We face significant competition, and if we are unable to compete effectively, we may not be able to achieve or maintain expected levels of market penetration and market share, which could have a material adverse effect on o business, financial condition and results of operations.

- We have a limited history operating a practice-building business for practitioners in the hormone optimization spac which may make it difficult for an investor to evaluate the success of our business to date and to assess our future viability.

Summary of Risks Related to Intellectual Property

- If we are unable to obtain and maintain patent protection for any products or methods we develop, or if the scope the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize products similar or identical to our Biote-branded dietary supplements, and our ability to successfully commercialize any products we may develop may be adversely affected. If we are not able to maintain freedom to operate for our products from third-party intellectual property rights, our ability to commercialize products may be limited unless w secure a license to such rights.

- We may become a party to intellectual property litigation or administrative proceedings that could be costly and co interfere with our ability to sell and market the Biote Method and our Biote-branded dietary supplements.
- If we are unable to protect the confidentiality of our other proprietary information, our business and competitive position may be harmed.
- We may be subject to claims that we or our employees, consultants or contractors have wrongfully used, disclose otherwise misappropriated the intellectual property of a third-party, including trade secrets or know-how, or are in breach of non-competition or non-solicitation agreements with our competitors or claims asserting an ownership interest in intellectual property we regard as our own.
- We may be subject to claims challenging our intellectual property.
- If our trademarks and trade names are not adequately protected, then we may not be able to build brand recogniti in our markets and our business may be adversely affected.

Summary of Risks Related to Regulation

- We market dietary supplements and convenience kits, which are regulated by the U.S. Food and Drug Administrat (the “FDA”), and are subject to certain requirements under the Federal Food, Drug, and Cosmetic Act (the “FDCA” and the laws enforced by the Federal Trade Commission (the “FTC”). Our failure to meet those requirements coul cause us to cease certain of our business activities and may involve the payment of financial penalties.
- We have developed and market a method and training program where the practitioner may prescribe a compound bioidentical hormone. Compounded drugs are regulated by the FDA and are subject to certain requirements unde FDCA. Failure of compounding entities to meet those requirements could cause us to cease certain of our busines activities and may involve the payment of financial penalties.
- Compounded preparations and the pharmacy compounding pharmacy industry are subject to regulatory scrutiny, which may impair our growth and sales.
- If a compounded drug formulation provided through a compounding pharmacy or an outsourcing facility leads to patient injury or death or results in a product recall, we may be exposed to significant liabilities and reputational ha
- If the FDA takes regulatory action to implement any of the National Academies of Sciences, Engineering, and Medicine (the “NASEM”) recommendations for compounded bioidentical hormones, this may have a substantial ef

on the ability of the outsourcing facilities to compound the hormone pellets utilized by Biote-certified practitioners, which would have a substantially negative impact on Biote's revenue and business operations.

- Our internal controls over financial reporting currently do not meet all of the standards contemplated by Section 40 the Sarbanes-Oxley Act, and a material weakness resulted in the restatement of previously issued financial statements. Failure to achieve and maintain an effective system of disclosure controls and internal control over financial reporting could impair our ability to produce timely and accurate financial statements or comply with applicable regulations.
- If we are unable to maintain our listing on the Nasdaq Stock Market LLC ("Nasdaq"), it could become more difficult sell our Class A common stock in the public market.

Summary of Risks Related to Ownership of Our Securities

- Because there are no current plans to pay cash dividends on our Class A common stock for the foreseeable future you may not receive any return on investment unless you sell our Class A common stock for a price greater than t which you paid for it.
- We may require additional capital to support business growth, and if capital is not available to us or is available on by diluting existing stockholders, our business, operating results and financial condition may suffer.

- Anti-takeover provisions contained in the second amended and restated certificate of incorporation (the "Charter") amended and restated bylaws (the "Bylaws"), as well as provisions of Delaware law, could impair a takeover atten
- Future sales, or the perception of future sales, by the Company or its stockholders in the public market, the issuan of rights to purchase the Company's Class A common stock, including pursuant to the 2022 Equity Incentive Plan "Incentive Plan") and the 2022 Employee Stock Purchase Plan (the "ESPP"), and future exercises of registration rights could result in the additional dilution of the percentage ownership of the Company's stockholders and cause market price for the Company's Class A common stock to decline.
- Securities of companies formed through a special purpose acquisition company ("SPAC") business combination su as ours may experience a material decline in price relative to the share price of the SPAC prior to the business combination combination.

- We may be subject to periodic claims and litigation, including the Donovitz Litigation (as defined herein), that coulc result in unexpected expenses and could ultimately be resolved against us.

Risks Related to Our Industry and Business

Our success will depend upon whether the Biote Method and our Biote-branded dietary supplements attain significant market acceptance among clinics, practitioners and their patients.

Our success will depend on the acceptance of the hormone optimization methods we teach in our training. We cannot predict how quickly clinics, practitioners or their patients will accept the Biote Method (as further described in the section entitled “Business”) or, if accepted, how frequently it will be used. The methods that we currently recommend and any methods we recommend in the future may never gain broad market acceptance. Demonstrated HRT health risks or side effects, as well as negative publicity relating to the same, could negatively impact the perception of patient benefit and generate resistance and opposition from practitioners, which could limit adoption of the Biote Method and have a material adverse impact on our business. To date, a substantial majority of our sales and revenue have been derived from a limited number of clinics and independent, third-party physicians and nurse practitioners who are certified under our training program (the “Biote-certified practitioners”).

Our future growth and profitability will largely depend on our ability to increase practitioner awareness of our practice-building platform as well as our Biote-branded dietary supplements, and on the willingness of clinics, practitioners and their patients to adopt them. Practitioners may not adopt the Biote Method unless they determine, based on experience, clinical data, medical society recommendations and other analyses, that our methods and the Biote-branded dietary supplements are appropriate for their patients. Healthcare practitioners must believe that our practice-building platform and Biote-branded dietary supplements offer benefits over alternatives. Even if we are able to raise awareness, practitioners may be slow in changing their medical treatment practices and may be hesitant to use the Biote Method.

Practitioners independently determine the type of treatment that will be utilized and provided to their patients. We focus our sales, marketing and education efforts primarily in the hormone optimization space and aim to educate Biote-certified practitioners regarding the patient population that would benefit from the Biote Method. Despite our efforts, we cannot assure you that we will achieve broad market acceptance among these practitioners or, more generally, that practitioners will adopt the Biote Method at all. Further, changes in the regulatory or enforcement landscape may be a factor in practitioners choosing certain methods for their patients, for example, medication compounded by a compounding pharmacy or outsourcing facility.

For example, some Biote-certified practitioners may choose to utilize the Biote Method and our Biote-branded dietary supplements on only a subset of their total patient population or may not adopt our offerings at all. If we are not able to effectively demonstrate that the use of the Biote Method and our Biote-branded dietary supplements is beneficial in a broad range of their patients, adoption of our offerings will be limited and may not occur as rapidly as we anticipate or at all, which would have a material adverse effect on our business, financial condition and results of operations. We cannot assure you that the Biote Method or our Biote-branded dietary supplements will achieve broad market acceptance among clinics and practitioners. Additionally, even if the Biote Method and our Biote-branded dietary supplements achieve initial market acceptance, they may not maintain that market acceptance over time if competing methods, procedures or technologies are considered more cost-effective or otherwise superior. Any failure of our offerings to generate sufficient demand or to achieve meaningful market acceptance and penetration will harm our future prospects and have a material adverse effect on our business, financial condition and results of operations.

Further, if the Biote Method or our Biote-branded dietary supplements do not generate sufficient patient demand for the Biote-certified practitioners or clinics we partner with (“Biote-partnered clinics”), we may be unable to attract or retain contracts with practitioners or clinics to use the Biote Method or sell our Biote-branded dietary supplements. If we are unable to attract or retain contracts with practitioners or clinics, our business, results of operations and financial condition could be adversely affected.

Outsourcing facilities that produce bioidentical hormone pellets that we offer training on in the Biote Method and failure by those parties to adequately perform their obligations could harm our business.

Outsourcing facilities manufacture the products that we recommend as part of our training. The facilities used to compound and distribute bioidentical hormone pellets, which may be prescribed by Biote-certified practitioners, are registered with the FDA as 503B outsourcing facilities. We do not control or direct the compounding or manufacturing processes used by these outsourcing facilities.

We use contract manufacturers to produce the formulations of the dietary supplements we develop and sell under Biote's private label, and we rely on those manufacturers for compliance with the applicable regulatory requirements. As such, we have no control over the ability of third parties to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or a comparable international regulatory authority does not approve these facilities for the manufacture of these products or if it withdraws any such approval in the future, we may need to identify alternative manufacturing facilities, which would significantly impact our ability to meet consumer demand. In addition, our inability to identify or enter into satisfactory arrangements with any such alternative manufacturing facilities may result in a material adverse effect on our business, financial condition and results of operations.

Further, our reliance on third-party dietary supplement contract manufacturers entails risks, including:

- inability to meet certain product specifications and quality requirements consistently;

- delay or inability to procure or expand sufficient manufacturing capacity;
- issues related to scale-up of manufacturing;
- costs and validation of new equipment and facilities required for scale-up;
- third-party manufacturers may not be able to execute necessary manufacturing procedures and other logistical support requirements appropriately;
- third-party manufacturers may fail to comply with current good manufacturing practice ("cGMP") requirements and other requirements by the FDA or other comparable regulatory authorities;
- inability for us to negotiate manufacturing agreements with third parties under commercially reasonable terms, if a
- breach, termination or non-renewal of manufacturing agreements with third parties in a manner or at a time that is costly or damaging to us or Biote-certified practitioners and Biote-partnered clinics;

- third-party manufacturers may not devote sufficient resources to our Biote-branded dietary supplements;
- we may not own, or may have to share, the intellectual property rights to any improvements made by third-party manufacturers in the manufacturing process for our Biote-branded dietary supplements;
- operations of third-party manufacturers or our suppliers could be disrupted by conditions unrelated to our business operations, including the bankruptcy of the manufacturer or supplier; and
- logistics carrier disruptions or increased costs that are beyond our control.

Any adverse developments affecting manufacturing operations for our Biote-branded dietary supplements may result in lot failures, inventory shortages, shipment delays, product withdrawals or recalls or other interruptions in the supply of these products, which could prevent their delivery to Biote-certified practitioners or Biote-partnered clinics. We may also have to write off inventory, incur other charges and expenses to replace dietary supplements that fail to meet specifications, undertake costly remediation efforts, or seek more costly manufacturing alternatives.

Any of these events could impact our ability to successfully commercialize any future products that we recommend as part of our training and our current or any future Biote-branded dietary supplements. Some of these events could be the basis for FDA action, including injunction, request for recall, seizure, or total or partial suspension of production.

We and Biote-certified practitioners and Biote-partnered clinics are reliant on AnazaoHealth Corporation, Right Value Drug Stores, LLC, and F.H. Investments, Inc. to support the manufacturing of bio-identical hormones for prescribers.

We entered into a Pharmacy Services Agreement with AnazaoHealth Corporation, or AnazaoHealth, on October 30, 2020 (the “AnazaoHealth Pharmacy Services Agreement”), an Outsourcing Facility Services Agreement with Right Value Drug Stores, LLC d/b/a Carie Boyd’s Prescription Shop, or Carie Boyd’s, on August 1, 2020 (the “Outsourcing Facility Services Agreement”), and a Pharmacy Services Agreement with F.H. Investments, Inc. d/b/a Asteria Health, Asteria Health, on October 28, 2021, which was subsequently amended and restated in its entirety on October 19, 2023, to build relationships to support Biote-certified practitioners by offering an option for the compounded bioidentical hormones that the practitioners may order or prescribe (the “Asteria Health Pharmacy Services Agreement”). AnazaoHealth, Carie Boyd’s, and Asteria Health are operators of FDA-registered 503B outsourcing facilities. While Biote-certified practitioners have the option to use a variety of different outsourcing facilities, AnazaoHealth, Carie Boyd’s and Asteria Health are the primary outsourcing facilities of the compound testosterone and estradiol implantable subcutaneous pellets used by Biote-certified practitioners as part of the Biote Method. However, we do not control or direct the compounding or manufacturing processes of these 503B outsourcing facilities. We also do not control the time and resources AnazaoHealth, Carie Boyd’s or Asteria Health devotes to compounding of testosterone and estradiol implantable subcutaneous pellets. If AnazaoHealth, Carie Boyd’s or Asteria Health are unable to successfully fulfill a Biote-certified practitioner’s product orders, or if the state licenses held by AnazaoHealth, Carie Boyd’s or Asteria Health to ship medications for office use throughout the United States are revoked, expire or otherwise not maintained, it could adversely impact the practices of Biote-certified practitioners or Biote-partnered clinics, which could in turn have a material adverse effect on our business, financial condition and results of operations. The FDCA prohibits selling or transferring a drug compounded by an outsourcing facility by an entity other than the outsourcing facility that compounded the drug. In June 2023, the FDA released a guidance, “Prohibition on Wholesaling Under Section 503B of the Federal Food, Drug, and Cosmetic Act” clarifying its interpretation of this prohibition. If the FDA determines that we are selling or transferring a drug compounded by an outsourcing facility, we may be subject to penalties under the FDCA. Other changes in state and federal regulatory and enforcement with respect to compounded drugs may also affect AnazaoHealth, Carie Boyd’s and Asteria Health, and, in turn, have the potential to harm the practices of Biote-certified practitioners or Biote-partnered clinics or our business.

Any termination of the AnazaoHealth Pharmacy Services Agreement, the Outsourcing Facility Services Agreement, or the Asteria Health Pharmacy Services Agreement could have an adverse effect on the practices of Biote-certified practitioners or Biote-partnered clinics, our business, financial condition and results of operations.

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In the future, we may also seek to develop relationships with other outsourcing facilities to support the manufacturing of bioidentical hormones for Biote-certified practitioners and Biote-partnered clinics in the United States and internationally, with an initial focus on expansion into internationally. We already have a presence in Puerto Rico, Argentina, Brazil, Colombia, Mexico Canada and the Dominican Republic, where we hope to continue growing our business, and also hope to expand into Argentina, Brazil, Colombia, and Canada, as permitted by law. law, in the future. If we fail to develop new relationships with any other outsourcing facilities we seek to engage, including in new markets in the United States and internationally, fail to manage or incentivize these facilities effectively, or if these facilities are not successful in their sales and marketing efforts, our ability to support to Biote-certified practitioners and Biote-partnered clinics, and to generate revenue, cash flow and earnings growth could suffer, which could have a material adverse effect on our business, financial condition and results of operations. Moreover, these agreements may be non-exclusive, and some of these facilities may also have cooperative relationships with certain of our competitors.

Biote-certified practitioners and Biote-partnered clinics are concentrated in certain geographic regions, which makes us sensitive to regulatory, economic, environmental and competitive conditions in those regions.

We generate revenues by charging the Biote-partnered clinics fees associated with the support Biote provides for HRT and from the sale of Biote-branded dietary supplements. During the nine three months ended September 30, 2023 March 31, 2024, over 61.0% approximately 56.5% of our revenue was generated in Texas, Oklahoma, New Mexico, Colorado, Arkansas, Louisiana, Mississippi, Alabama, Georgia and Florida. Such geographic concentration makes us particularly sensitive to regulatory, economic, environmental and competitive conditions in those states. Any material changes in those factors in those states could have a material adverse effect on our business, financial condition and results of operations.

We may not be successful in expanding into new geographic areas within the United States or internationally. In addition, as we expand into new geographic areas, we may not be able to dedicate enough time or resources to maintain our market share in our core geographic areas, and our business may be negatively impacted.

The frequency of use by practitioners and clinics of the Biote Method may not increase at the rate that we anticipate or at all.

One of our key objectives is to continue to increase utilization, or the adoption and frequency of use, of both the Biote Method and our Biote-branded dietary supplements by new and existing Biote-certified practitioners and Biote-partnered clinics. If utilization by our existing and newly trained Biote-certified practitioners of the Biote Method and the Biote-branded dietary supplements we sell does not occur or does not occur as quickly as we anticipate, we could experience a material adverse effect on our business, financial condition and results of operations.

Adoption of the Biote Method depends upon appropriate practitioner training, and inadequate training may lead to negative patient outcomes and adversely affect our business.

Our success depends in part on the patient selection criteria of Biote-certified practitioners and proper execution of methods discussed in training sessions conducted by our training faculty. However, the practice of medicine is the domain of the Biote-certified practitioners, who rely on their previous medical training and experience, and we cannot guarantee that Biote-certified practitioners will effectively utilize the Biote Method. Patient outcomes may not be consistent across Biote-certified practitioners and Biote-partnered clinics. This result may negatively impact the perception of patient benefit and limit adoption of the Biote Method, and could result in litigation against us, in each case which would have a material adverse effect on our business, financial condition and results of operations.

The continuing development of our training depends upon our maintaining strong working relationships with Biote-certified practitioners and other medical personnel.

The development, marketing and sale of our training depend upon our maintaining working relationships with Biote-certified practitioners and other medical personnel. We rely on these relationships to provide us with considerable knowledge and experience regarding the development, marketing and sale of our training. For example, Biote-certified practitioners assist us in marketing and as researchers, consultants and public speakers. If we cannot maintain our strong working relationships and continue to receive such advice and input, the development and marketing of our training could suffer, which could have a material adverse effect on our business, financial condition and results of operations.

We believe our long-term value as a company will be greater if we focus on growth, which may negatively impact our results of operations in the near term.

We believe our long-term value as a company will be greater if we focus on longer-term growth over short-term results. As a result, our results of operations may be negatively impacted in the near term relative to a strategy focused on maximizing short-term profitability. Significant expenditures on marketing efforts, acquisitions and international expansion may not ultimately grow our business or lead to expected long-term results.

We have experienced substantial growth in our operations, and we expect to experience continued growth in our business. For example, we plan to continue increasing our headcount from 2023 through 2025. This growth has placed, and will continue to place, significant demands on our management and our operational infrastructure. Any growth that we experience in the future could require us to expand our sales and marketing personnel and general and administrative infrastructure. In addition to the need to scale our organization, future growth will impose significant added responsibilities on management, including the need to identify, recruit, train

and integrate additional employees. We cannot assure you that any increases in scale will be successfully implemented or that we will be able to hire additional personnel or that appropriate personnel will be available to facilitate the growth of our business. Rapid expansion in personnel could mean that less experienced people market and sell the Biote Method and our Biote-branded dietary supplements, which could result in inefficiencies and unanticipated costs, lowered quality standards and disruptions to our operations. Rapid and significant growth may strain our administrative and operational infrastructure and could require significant capital expenditures that may divert financial resources from other projects, such as research and development of potential future offerings. In addition, our ability to grow may be adversely impacted due to factors beyond our control, which could have a material adverse effect on our business, reputation, financial performance, financial condition and results of operations, and could expose us to liability. Our failure to manage growth effectively could have a material and adverse effect on our business, financial condition and results of operations. To manage the growth of our operations, we must establish appropriate and scalable operational and financial systems, procedures and controls and build and maintain a qualified finance, administrative and operations staff. If we are unable to manage our growth effectively, including by failing to implement necessary procedures, transition to new processes or hire necessary personnel, we may fail to execute our business strategy which would have a material adverse effect on our business, results of operations and financial condition.

We face significant competition, and if we are unable to compete effectively, we may not be able to achieve or maintain expected levels of market penetration and market share, which could have a material adverse effect on our business, financial condition and results of operations.

The medical practice-building market and dietary supplement industry are highly competitive, subject to rapid change and significantly affected by new offerings and other market activities of industry participants. For example, in the dietary supplement space, we are competing with more than 30 brands of dietary supplements, including that of Evexipel, Pellecome, Pro-Pell, Sottopelle, BodyLogicMD, HTCA and Nature’s Way, that which are either available direct to consumer online, through more conventional retailers and department stores and/or sold through practitioners. If we are unable to compete effectively, we will not be able to establish our training and Biote-branded dietary supplements in the marketplace, which would have a material adverse effect on our business, financial condition and results of operations. Further, large, well-capitalized pharmaceutical companies may enter the medical practice-building market in the hormone optimization space or dietary supplements market and would be able to spend more on development of their offerings, marketing, sales, compliance and other initiatives than we can. Some of our competitors may have:

- significantly greater name recognition;
- broader or deeper relations with healthcare professionals and clinics;
- more established dietary supplement distribution networks;
- additional lines of dietary supplements and the ability to offer rebates or bundle products to offer greater discounts other incentives to gain a competitive advantage;
- greater experience in conducting research and development, and marketing for their products; and
- greater financial and human resources for development, sales and marketing and patent prosecution of our offerin

Our continued success depends on our ability to:

- develop innovative training as well as Biote-branded dietary supplements that aim to address patient needs;
- adapt to regulatory and enforcement changes over time;
- expand our sales force across key markets to increase the number of Biote-certified practitioners;
- leverage our Biote-branded dietary supplements;
- accelerate the expansion of our business into new markets;
- attract and retain skilled research, development, sales and clinical personnel;

- cost-effectively market and sell our training and our Biote-branded dietary supplements; and
- obtain, maintain, enforce and defend our intellectual property rights and operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others.

We can provide no assurance that we will be successful in developing new training, methods, or Biote-branded dietary supplements or commercializing them in ways that achieve market acceptance. Moreover, any significant delays in the development or commercialization of new training, methods or dietary supplements may significantly impede our ability to enter or compete in a given market and may reduce the sales that we are able to generate, which could have a material adverse effect on our business, financial condition and results of operations.

We have a limited history operating a practice-building business for practitioners in the hormone optimization space, which may make it difficult for an investor to evaluate the success of our business to date and to assess

our future viability.

We have a limited history operating a practice-building business for practitioners in the hormone optimization space. We commenced operations in 2012, and our operations to date have been largely focused on organizing and staffing our company, business planning, raising capital, developing the Biote Method and our training, refining our relationships with outsourcing facilities that can compound the bioidentical hormone pellet products that Biote-certified practitioners may prescribe, as well as manufacturers who produce our Biote-branded dietary supplements. Our limited operating history and evolving business make it difficult to evaluate our current business and future prospects and increase the risk of your investment. Any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history or a history of commercializing the Biote Method and our Biote-branded dietary supplements. In addition, as an early-stage company with a limited operating history, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors which may result in our inability to maintain profitability.

Our quarterly results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our results of operations and key metrics discussed elsewhere in this Quarterly Report may vary significantly in the future and period-to-period comparisons of our operating results and key metrics may not provide a full picture of our performance. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. Our quarterly financial results and metrics may fluctuate as a result of a variety of factors, many of which are outside of our control, and as a result they may not fully reflect the underlying performance of our business. These quarterly fluctuations may negatively affect the value of our securities. Factors that may cause these fluctuations include, without limitation:

- the level of demand for either the Biote Method or our Biote-branded dietary supplements, which may vary significantly from period to period;
- our ability to attract new Biote-partnered clinics and Biote-certified practitioners;
- the addition or loss of one or more of our Biote-partnered clinics or Biote-certified practitioners, including as the res of acquisitions or consolidations;
- the timing of recognition of revenues;
- the amount and timing of operating expenses;
- general economic, industry and market conditions, both domestically and internationally, including any economic downturns and adverse impacts resulting from public health crises, increases in inflation and interest rates and/or international conflicts such as the military conflict between Russia and Ukraine and the Israel-Hamas war;
- the timing of our billing and collections;
- Biote-partnered clinic and Biote-certified practitioner renewal, expansion, and adoption rates;
- increases or decreases in the number of patients that are served by Biote-certified practitioners or Biote-partnered clinics, or pricing changes upon any renewals of Biote-certified practitioner or Biote-partnered clinic agreements;
- changes in our pricing policies or those of our competitors;
- the timing and success of new offerings by us or our competitors or any other change in the competitive dynamics

our industry, including consolidation among competitors, practitioners, clinics or outsourcing facilities;

- extraordinary expenses such as litigation or other dispute-related expenses or settlement payments;
- sales tax and other tax determinations by authorities in the jurisdictions in which we conduct business;
- the impact of new accounting pronouncements and the adoption thereof;
- fluctuations in stock-based compensation expenses;

- expenses in connection with mergers, acquisitions or other strategic transactions;
- changes in regulatory and licensing requirements;
- the amount and timing of expenses related to our expansion to markets outside the United States; and
- the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill or intangibles from acquired companies.

Further, in future periods, our revenue growth could slow or our revenues could decline for a number of reasons, including slowing demand for either the Biote Method or our Biote-branded dietary supplements, increasing competition, a decrease in the

growth of our overall market, or our failure, for any reason, to continue to capitalize on growth opportunities. In addition, our growth rate may slow in the future as our market penetration rates increase. As a result, our revenues, operating results and cash flows may fluctuate significantly on a quarterly basis and revenue growth rates may not be sustainable and may decline in the future, and we may not be able to achieve or sustain profitability in future periods, which could harm our business and cause the market price of our Class A common stock to decline.

If we are unable to attract and retain executive officers, key employees and other qualified personnel, or are unable to attract and retain contracts with Biote-certified practitioners, our ability to compete could be harmed.

Our success depends on our ability to attract and retain our executive officers, key employees and other qualified personnel, and as a relatively small company with key talent residing in a limited number of employees, our operations and prospects may be severely disrupted if we lost any one or more of their services. As we build our brand, expand into new domestic and international territories and become more well known, there is increased risk that competitors or other companies will seek to hire our personnel. While some of our employees are bound by non-competition agreements, these may prove to be unenforceable. The failure to attract, integrate, train, motivate and retain these personnel could seriously harm our business and prospects.

In addition, we are highly dependent on the services of several of our executive officers and other senior technical and management personnel, including Teresa S. Weber, our Chief Executive Officer, Marc D. Beer, our Executive Chairman, Samar Kamdar, Robert C. Peterson, our Chief Financial Officer Dr. Ross McQuivey, our Chief Medical Officer, and Mary Elizabeth Conlon, our Vice President, Business Development and General Counsel, and Mary Punchocar, our Chief Commercial Officer, who would be difficult to replace. If these or other key personnel were to depart, we may not be able to successfully attract and retain senior leadership necessary to grow our business. We do not maintain key person life insurance with respect to any member of management or other employee.

Further, our success depends in part upon our ability to attract, train and retain contracts with practitioners and clinics. We have invested substantial time and resources in building our base of Biote-certified practitioners and Biote-partnered clinics. If we are unable to attract and retain contracts with practitioners and clinics capable of meeting our business needs and expectations, our business and brand image may be impaired. Any failure to grow our practitioner base of Biote-certified practitioners or any material increase in turnover rates of our Biote-certified practitioners may adversely affect our business, results of operations and financial condition.

Changes in our business and operations, as well as organizational changes, have placed, and may continue to place, significant demands on our management and infrastructure. If we fail to manage these changes effectively, we may be unable to execute our business plan, maintain high levels of service, or address competitive challenges adequately.

Over the past three months, we have experienced organizational changes, including the recent appointment of new executives, including a new Chief Financial Officer and a new Chief Information Officer, and the promotion, addition, or departure of members of our senior management team. These organizational changes have placed, and will continue to place, a significant strain on our management, administrative, operational and financial infrastructure. Our success will depend in part upon the ability of our senior management team to manage these changes effectively. If we fail to manage these changes effectively, we may be unable to execute our business plan, maintain high levels of service or address competitive challenges adequately.

The healthcare industry is highly regulated, and government authorities may determine that we have failed to comply with applicable laws, rules or regulations.

The healthcare industry, including the healthcare and other services that we and Biote-certified practitioners provide, are subject to extensive and complex federal, state and local laws, rules and regulations, compliance with which imposes substantial costs on us. Of particular importance are the provisions summarized as follows:

- federal laws (including the False Claims Act, 31 U.S.C. § 3729 (the “False Claims Act”)) that prohibit entities and individuals from intentionally (or with reckless disregard or deliberate ignorance) presenting or causing to be presented false or fraudulent claims to government-funded programs, or improperly retaining known overpayments
- a provision of the Social Security Act of 1935, as amended, commonly referred to as the federal Anti-Kickback Statute, as amended (the “federal Anti-Kickback Statute”), that prohibits the knowing and willful offer, payment, solicitation or receipt of any bribe, kickback, rebate or other remuneration, in cash or in kind, in return for the referr or

recommendation of patients for, or for the purchasing, leasing, ordering or arranging for, items and services for wh
payment may be made, in whole or in part, by federal healthcare programs;

- similar state law provisions pertaining to anti-kickback, fee splitting, self-referral and false claims, and other fraud a abuse issues which typically are not limited to relationships involving government-funded programs. In some case these laws prohibit or regulate additional conduct beyond what federal law affects, including applicability to items a services paid by commercial insurers and private pay patients. Penalties for violating these laws can range from fi to criminal sanctions;
- provisions of 18 U.S.C. § 1347 that prohibit knowingly and willfully executing a scheme or artifice to defraud a healthcare benefit program or falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services;
- FDA marketing and promotion restrictions, as well as several other types of state and federal healthcare fraud and abuse laws have been applied in recent years to restrict certain marketing practices in the healthcare industry;
- federal and state laws related to confidentiality, privacy and security of personal information such as HIPAA, includ protected health information (“PHI”), that limit the manner in which we may use and disclose that information, impo obligations to safeguard that information and require that we notify our customers in the event of a breach;
- State corporate practice of “medicine” prohibitions that restrict unlicensed persons from engaging licensed professionals to render professional services to the public or from interfering with or influencing a licensed practitioner’s professional

judgment. Certain activities other than those directly related to the delivery of healthcare services to patients may l considered an element of the practice of medicine in many states;

- State fee-splitting prohibitions, which prohibit licensed healthcare professionals from sharing a portion of their professional fees collected from their professional services with unlicensed third parties; and
- HIPAA, as amended by the HITECH Health Information Technology for Economic and Clinical Health Act (“HITECH and their implementing regulations, also imposes obligations, including mandatory contractual terms, on covered entities, which are health plans, healthcare clearinghouses, clearing houses, and certain healthcare providers, as those terms are defined by HIPAA, and their respective business associates and their subcontractors, with respect safeguarding the privacy, security and transmission of individually identifiable health information.

The risk of our being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and reputational harm and divert our management’s attention from the operation of our business. If our operations are found to be in violation of any of these laws and regulations, we may be subject to any applicable penalty associated with the violation, including significant administrative, civil and criminal penalties, damages, fines, sanctions, disgorgement, imprisonment, exclusion from participation in federal healthcare programs, refunding of payments received by us, integrity oversight and reporting obligations, and curtailment or cessation of our operations. Any of the foregoing consequences could seriously harm our business and our financial results.

Although Biote does not bill or receive any reimbursement from any third-party payor, to the extent that any Biote-certified practitioners and Biote-partnered clinic with whom we partner accepts health insurance for their services, we could be subject to additional laws, including without limitation the federal Anti-Kickback Statute, False Claims Act and the healthcare fraud provisions of HIPAA.

Our success depends on our relationships with Biote-certified practitioners and Biote-partnered clinics, and, therefore, our operations are subject to federal and state healthcare fraud and abuse, referral and reimbursement laws and regulations. If our operations are found to be in violation of any of the federal and state healthcare laws or any other current or future fraud and abuse or other healthcare laws and regulations that apply to us, including applicable healthcare fraud statutes, we may be subject to penalties. Penalties under these laws may be severe, and include without limitation treble damages, significant criminal, civil and administrative penalties, attorneys' fees and fines, injunctions, as well as contractual damages and reputational harm. We could also be required to modify, curtail or cease our operations. Any of the foregoing consequences could seriously harm our business and our financial results and enforcement of the foregoing laws could have a material adverse effect on our business. Also, these measures may be interpreted or applied by a prosecutorial, regulatory or judicial authority in a manner that could require us to make changes in our operations or incur substantial defense and settlement expenses.

Because of the breadth of these laws and the complexity of statutory and regulatory exemptions, it is possible that some of our activities could be subject to challenge under one or more of such laws. Any action brought against us for violations of these laws or regulations, even if successfully defended, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business.

In a regulatory climate that is uncertain, our operations may be subject to direct and indirect adoption, expansion or reinterpretation of various healthcare laws and regulations. Compliance with these and/or future healthcare laws and regulations may require us to change our practices at an undeterminable and possibly significant initial monetary and annual expense. These additional monetary expenditures may increase future overhead, which could have a material adverse effect on our results of operations. Additionally, the introduction of new training, and Biote-branded dietary supplements may require us to comply with additional laws and regulations. Compliance may require obtaining appropriate licenses or certificates, increasing our security measures, and expending additional resources to monitor developments in applicable rules and ensure compliance. The failure to adequately comply with these and/or future healthcare laws and regulations may delay or possibly prevent any new training and products from being offered to Biote-certified practitioners, Biote-partnered clinics and their patients, which could have a material adverse effect on our business, financial condition, and results of operations.

Further, We are subject to stringent and evolving U.S. and foreign laws, regulations, and rules, contractual obligations, industry standards, policies and other obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation (including class claims) and mass arbitration demands; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse business consequences.

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, sensitive third-party data, and other sensitive data the Company may process, e.g., business plans, transactions, or financial information. Our data processing activities subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security.

For example, HIPAA, as amended by HITECH, imposes specific requirements relating to the privacy, security, and transmission of individually identifiable protected health information. In addition, over the past few years, numerous U.S. states—including California, Virginia, Colorado, Connecticut, and Utah—have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights may impact our business and ability to provide our products and services.

Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (“CCPA” CPRA”), (collectively, “CCPA”) applies to personal information data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of California residents such individuals to exercise certain privacy rights. The CCPA provides for civil penalties fines of up to $7,500 per intentional violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Although the CCPA may exempt some data processed in certain contexts, the CCPA increases compliance costs and potential liability with respect to other personal data we maintain about California residents. In addition, the California Privacy Rights Act of 2020 (“CPRA”), which became operative on January 1, 2023, expands the CCPA’s requirements, giving California residents the ability to limit use of certain sensitive personal data, along with establishing a new regulatory agency to implement and enforce the law. Other states, such as Virginia, Colorado, Utah, and Connecticut have also passed comprehensive privacy laws, and similar Similar laws are being considered in several other states, as well as at the federal and local levels. While these levels and we expect more states like the CCPA, also exempt some data processed to pass similar laws in the context of clinical

trials, these future. These developments further complicate compliance efforts and increase legal risk and compliance costs for us and the third parties upon whom we rely.

In addition to data privacy and security laws, we are contractually subject to industry standards adopted by industry groups and, we are, or may become subject to such obligations in the future. For example, we are subject to the Payment Card Industry Data Security Standard ("PCI DSS"). The PCI DSS requires companies to adopt certain measures to ensure the security of cardholder information, including using and maintaining firewalls, adopting proper password protections for certain devices and software, and restricting data access. Noncompliance with PCI-DSS can result in penalties ranging from $5,000 to $100,000 per month by credit card companies, litigation, damage to our reputation, and revenue losses. We also rely on vendors to process payment card data, who may be subject to PCI DSS, and our customers. business may be negatively affected if our vendors are fined or suffer other consequences as a result of PCI DSS noncompliance.

Efforts to ensure that our current and future business arrangements with third parties will comply with applicable healthcare and data privacy laws and regulations will involve substantial ongoing costs and may require us to undertake or implement additional policies or measures. The scope of the foregoing state laws and the interpretations of them vary by jurisdiction and are enforced by local courts and regulatory authorities, each with broad discretion. We may face claims and proceedings by private parties, and claims, investigations and other proceedings by governmental authorities, relating to allegations that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations, and it is possible that courts or governmental authorities may conclude that our arrangements with the Biote-certified practitioners, Biote-partnered clinics or our sales force are not consistent with such laws, or that we may find it necessary or appropriate to settle any such claims or other proceedings. In connection with any such claims, proceedings, or settlements, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government funded healthcare programs, such as Medicare and Medicaid, integrity oversight and reporting obligations, contractual damages, reputational harm, diminished profits and future earnings and the curtailment or restructuring of our

operations. Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. Further, if any Biote-certified practitioners or Biote-partnered clinics with whom we expect to do business are found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions.

Additionally, in the United States and some foreign jurisdictions there have been, and continue to be, several legislative and regulatory changes and proposed reforms of the healthcare system in an effort to contain costs, improve quality, and expand access to care. These reform initiatives may, among other things, result in modifications to the aforementioned laws and/or the implementation of new laws affecting the healthcare industry, which could have an adverse effect on our business.

We plan to expand our operations to new markets outside the United States, creating a variety of operational challenges.

Although we currently work with numerous clinics that are multi-national in scope, our current business is primarily focused on clinics and practitioners in the United States. A component of our growth strategy involves expanding our operations outside the United States, including expansion into Puerto Rico, Argentina, Brazil, Colombia, Mexico, Canada and the Dominican Republic, as permitted by law. We may face difficulties as we expand our operations into new domestic and international markets in which we have limited or no prior operating experience.

Our growth strategy for expanding our operations outside the United States will require significant resources and management attention and will subject us to regulatory, economic and political risks that are different from those in the United States, including:

- the need to localize and adapt our platform for specific countries, including translation into foreign languages and obtaining local regulatory and legal guidance with associated expenses;
- data privacy laws that require customer data to be stored and processed in a designated territory;
- difficulties in staffing and managing international operations and working with international partners;
- different pricing environments, longer sales cycles and longer accounts receivable payment cycles and collections issues;
- new and different sources of competition;
- weaker protection for intellectual property and other legal rights than in the United States and practical difficulties i enforcing intellectual property and other rights outside of the United States;
- laws and business practices favoring local competitors;
- compliance challenges related to the complexity of multiple, conflicting and changing governmental laws and regulations, including employment, tax, privacy and data protection laws and regulations;
- increased financial accounting and reporting burdens and complexities;
- restrictions on the transfer of funds;
- fluctuations in currency exchange rates, which could increase the price of the products that we recommend as par our training and of our Biote-branded dietary supplements outside of the United States, increase the expenses of (international operations and expose us to international currency exchange rate risk;
- adverse tax consequences; and
- unstable regional and economic political conditions.

In addition, due to potential costs from any international expansion efforts and potentially higher supplier costs outside of the United States, our international operations may operate with a lower margin profile. As a result, our margins may fluctuate as we expand our operations internationally.

As we move to expand our business into Central and South America, our success will depend, in large part, on our ability to identify and work with international distributors. If our international distributors are unable to expand our business or are unable to

provide an adequate training program, our business could be harmed. Our failure to manage any of these risks successfully, or to comply with these laws and regulations, could harm our operations, reduce our sales and harm our business, operating results and financial condition. For example, in certain countries, particularly those with developing economies, certain business practices that are prohibited by laws and regulations applicable to us, such as the Foreign Corrupt Practices Act, may be more commonplace. Although we have policies and procedures designed to ensure compliance with these laws and regulations, our employees, contractors and agents, as well as partners involved in our international sales, may take actions in violation of our policies. Any such violation could have an adverse effect on our business and reputation.

Some of the outsourcing facilities we work with also have international operations and are subject to the risks described above. Even if we are able to successfully manage the risks of international operations, our business may be adversely affected if these facilities are not able to successfully manage these risks.

We may not be able to achieve or maintain satisfactory pricing and margins for our training and the Biote Method or the Biote-branded dietary supplements we sell.

Companies in our industry have a history of price competition, and we can give no assurance that we will be able to achieve satisfactory prices for the Biote Method, or our Biote-branded dietary supplements, or maintain prices at the levels we have historically achieved. If we are forced to lower the price we charge for the Biote Method or our Biote-branded dietary supplements, our revenue and gross margins will decrease, which will adversely affect our ability to invest in and grow our business. If we are unable to maintain our prices, or if our costs increase and we are unable to offset such increase with an increase in our prices, our margins could erode. We will continue to be subject to significant pricing pressure, which could materially and adversely impact our business, financial condition and results of operations.

Unforeseen and unpredictable factors affecting the operations of the FDA, U.S. Drug Enforcement Administration (the “DEA”) and other government agencies, such as changes in funding for the FDA, DEA and other government

agencies, could hinder their ability to hire and retain key leadership and other personnel, or otherwise delay inspections of the 503B outsourcing facilities of our third-party dietary supplement contract manufacturers, which could negatively impact practitioners and our business.

The ability of the FDA, the DEA and other governmental agencies to conduct their regulatory duties and activities, including reviewing and approving future products, can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review and response times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or comparable international regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA or comparable international regulatory authorities to timely inspect the facilities of our third-party suppliers, which could have a material adverse effect on our business.

The size of the markets for our current and future offerings has not been established with precision and may be smaller than we estimate.

Biote-certified practitioners primarily focus their treatments on women experiencing symptoms due to hormonal imbalance before, during, and after menopause, and men experiencing symptoms of hypogonadism and male sex hormone deficiency. It is estimated that, as of 2020, the total U.S. market opportunity for HRT products, available in various forms, exceeds $7 billion and is expected to grow 7% annually through 2026. We believe our business opportunity in providing educational and practice management services is large and will similarly grow. Our estimates of our total addressable markets for our current offerings and those under development are based on a number of internal and third-party estimates, including, without limitation, the number of practitioners we can offer our training and Biote-branded dietary supplements to and the assumed prices at which we can sell offerings in markets that have not been established or that we have not yet entered. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these estimates. As a result, our estimates of the total addressable market for our current or future offerings may prove to be incorrect. If the actual number of a Biote-certified practitioner’s or Biote-partnered clinic’s patients who would benefit from the Biote Method or our Biote-branded dietary supplements, the price at which we can sell training and Biote-branded dietary supplements, or the total addressable market for the Biote Method or our Biote-branded dietary supplements is smaller than we have estimated, it may impair our sales growth and have a material adverse impact on our business, financial condition and results of operations.

Our forecasted operating and financial results rely upon assumptions and analyses developed by us. If these assumptions and analyses prove to be incorrect, our actual operating and financial results may be significantly below our forecasts.

Whether actual operating and financial results and business developments will be consistent with our expectations, assumptions and analyses as reflected in our forecasted operating and financial results depends on a number of factors, many of which are outside of our control, including, but not limited to:

- whether we can obtain sufficient capital to grow our business;
- our ability to manage our growth;
- whether we can manage relationships with 503B outsourcing facilities and dietary supplement contract manufacturers, and other key suppliers;
- demand for the Biote Method and our Biote-branded dietary supplements;
- the timing and costs of new and existing marketing and promotional efforts;
- competition, including from established and future competitors;

- our ability to retain existing key management, to integrate recent hires and to attract, retain and motivate qualified personnel;
- the overall strength and stability of the economies in the markets in which we operate or intend to operate in the future; and
- regulatory, legislative and political changes.

Unfavorable changes in any of these or other factors, most of which are beyond our control, could materially and adversely affect our business, prospects, financial condition, and results of operations.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“U.S. GAAP”) requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes appearing elsewhere in this Quarterly Report. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenue and expenses.

Our significant accounting policies are described in Note 2 to our audited consolidated financial statements included elsewhere in this Quarterly Report. We believe that the accounting policies described reflect our most critical accounting policies and estimates (including with respect to revenue recognition and the valuation of inventory), which represent those that involve a significant degree of judgment and complexity. Accordingly, we believe these policies are critical in fully understanding and evaluating our reported financial condition and results of operations.

Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

Off-label promotion may result in civil and criminal fines and other penalties, as well as product liability suits, which could be costly to our business.

Biote does not manufacture or distribute any drug products. Nevertheless, if the FDA determines that our practitioner training, including our paid consultants' educational materials, constitutes off-label drug promotion, it could subject us or our business partners to enforcement action, including warning letters, untitled letters, fines and penalties, including criminal fines and/or prosecution. If we are found to have inappropriately marketed or promoted any drugs, we may become subject to significant liability. The federal government has levied large civil and criminal fines and/or other penalties against companies for alleged improper promotion and has investigated, prosecuted and/or enjoined several companies from engaging in off-label promotion. If we become subject to civil or criminal fines or other penalties, or product liability suits, such fines, penalties or lawsuits could have a material adverse effect on our business, financial condition and results of operations.

Certain direct and indirect subsidiaries of Biote entered into that certain credit agreement which contains affirmative, negative and financial covenants that may limit its flexibility in operating its businesses.

On May 26, 2022, certain direct and indirect subsidiaries of Biote entered into that certain Credit Agreement (the "Credit Agreement") with BioTE Medical, LLC (the "BioTE Medical") as borrower, and Truist Bank, as administrative agent, in connection with the Closing of the Business Combination. The Credit Agreement provides to borrower a $125.0 million five-year senior secured term loan A facility (the "Term Loan") and a $50.0 million revolving line of credit. On April 26, 2024, the Company entered into a First Amendment to the Credit Agreement and Waiver (the "First Amendment to Credit Agreement and Waiver") with the lender, that waived the event of default and also agreed that the payments made to repurchase the specified shares in settlement of the Donovitz Litigation will no longer continue as an event of default. The proceeds of the Credit Agreement have been

used to repay existing debt, pay fees and expenses in connection with the Business Combination, and for general corporate purposes. The Credit Agreement contains affirmative, negative and financial covenants that could limit the manner in which Biote conducts its business, and Biote may be unable to expand or fully pursue its business strategies, engage in favorable business activities, or finance future operations or capital needs. Biote's ability to comply with the covenants under the Credit Agreement may be affected by events beyond its control, and it may not be able to comply with those covenants. A breach of any of the covenants contained in the Credit Agreement could result in a default under the Credit Agreement, which could cause all of the outstanding indebtedness under the facility to become immediately due and payable if not waived by the lender. Biote failed to timely deliver notify the administrative agent of its commitment to repurchase certain shares currently beneficially owned by the Company's founder pursuant to a budget for settlement agreement reached in the fiscal year ending December 31, 2023, Donovitz Litigation, resulting in an event of default as of June 30, 2023 March 31, 2024. On July 27, 2023 April 26, 2024, the lender waived the event of default. As of September

30, 2023, the Company was in compliance with all required covenants associated with the Credit Agreement. If Biote is unable to generate sufficient cash to repay its debt obligations under the Credit Agreement when they become due and payable, either as such obligations become due, when they mature, or in the event of a default, Biote may not be able to obtain additional debt or equity financing on favorable terms, if at all, which could have a material adverse effect on our business, financial condition and results of operations.

Further, borrowings under the Credit Agreement are at variable rates of interest and expose us to interest rate risk. In recent months, global inflation and other factors have resulted in an increase in interest rates generally, which has impacted our borrowing costs. If interest rates were to continue to increase, our debt service obligations on the variable rate indebtedness referred to above would increase even if the principal amount borrowed remained the same, and our net income and cash flows will correspondingly decrease.

Product liability lawsuits against us could cause us to incur substantial liabilities and to limit commercialization of any products that we offer or may develop.

We face an inherent risk of product liability exposure. If we cannot successfully defend ourselves against claims that the products that we recommend as part of our training or our Biote-branded dietary supplements caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for the Biote Method and our Biote-branded dietary supplements;
- decreased demand for any new methods, training, or products that we may develop;
- injury to our reputation and significant negative media attention;
- significant costs to defend the related litigation, including the risk that any Biote-certified practitioners who may fac such related litigation may in turn seek to recover from us;
- substantial monetary awards paid to patients;
- loss of revenue;
- exhaustion of any available insurance and our capital resources;
- reduced resources for our management to pursue our business strategy; and
- the inability to commercialize any methods, training, or products that we may develop.

Although we maintain product liability insurance coverage, such insurance may not be adequate to cover all liabilities that we may incur and we may need to increase our insurance coverage. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Further, a Biote-certified practitioner's failure to follow our training and the Biote Method, or accepted medical practices in any stage of treatment may result in lawsuits against us.

If As we experience significant disruptions engage in our information technology systems, our business may be adversely affected.

We depend on our information technology systems for the efficient functioning of our business, including to support Biote Method, our end-to-end platform to enable Biote-certified practitioners to establish, build, and successfully operate a Biote-partnered clinic for optimizing hormone levels in their specific aging patient population, the distribution and maintenance of our Biote-branded dietary supplements, as well as for accounting, data storage, compliance, purchasing and inventory management. Our information technology systems may be subject to computer viruses, ransomware or other malware, attacks by computer hackers, failures during the process of upgrading or replacing software, databases or components thereof, power outages, damage or interruption from fires or other natural disasters, hardware failures, telecommunication failures and user errors, among other malfunctions. We could be subject to any number of unintentional events that could involve a third-party gaining unauthorized access to our systems, which could disrupt our operations, corrupt our data or result in release of our confidential information. Technological interruptions could disrupt our operations, including our ability to project inventory requirements, manage our supply chain and otherwise adequately service our Biote-partnered clinics and Biote-certified practitioners or disrupt their ability use the Biote Method and our Biote-branded dietary supplements for treatments. In the event we experience significant disruptions, consider strategic transactions, we may be unable to repair our systems in an efficient

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and timely manner. Accordingly, such events may disrupt not realize expected business or reduce the efficiency of our entire operation and have a material adverse effect on our business, financial condition and results of operations. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability benefits and the further development and commercialization of the Biote Method and our Biote-branded dietary supplements acquisitions could be delayed or disrupted.

We are increasingly dependent on complex information technology prove difficult to manage our infrastructure. Our information systems require an ongoing commitment of significant resources to maintain, protect and enhance our existing systems. Failure to maintain or protect our information systems and data integrity effectively could have a material adverse effect on our business, financial condition and results of operations.

We may engage in strategic transactions that could integrate, impact our liquidity, increase our expenses and present significant distractions to our management. management.

From time to time, As part of our business strategy, we have in the past engaged in, and may in the future consider strategic transactions, such as acquisitions of companies, asset purchases and out-licensing or in-licensing of intellectual property, products or technologies. For example, in January 2024, we completed asset acquisitions of Simpatra, LLC ("Simpatra"), to purchase certain intellectual property and intellectual property rights, and BioSana ID LLC ("BioSana") to purchase certain assets. In March 2024, we completed an acquisition of F.H. Investments Inc. (“Asteria Health”), a privately held 503B manufacturer of compounded bioidentical hormones, respectively. Any acquisition or investment may divert the attention of management that would otherwise be available for the development of our existing business and may cause us to incur various expenses in identifying, investigating and pursuing suitable opportunities, whether or not the transaction is completed, and may result in unforeseen operating difficulties and expenditures. Furthermore, we may encounter difficulties assimilating or integrating the businesses, technologies, data, solutions, personnel or operations of any acquired companies, particularly if the key personnel of an acquired company choose not to work for us, if their business is not easily adapted to work with our network or if we have difficulty retaining the customers of any acquired business due to changes in ownership, management or otherwise.

Any future transactions could increase our near and long-term expenditures, result in potentially dilutive issuances of our securities, including our Class A common stock, or the incurrence of debt, contingent liabilities, amortization expenses or acquired in-process research and development expenses, any of which could affect our financial condition, liquidity and results of operations. Additional potential transactions that we may consider in the future include a variety of business arrangements, including spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, business combinations and investments. Future acquisitions may also require us to obtain additional financing, which may not be available on favorable terms or at all. These transactions may never be successful and may require significant time and attention of from management. In addition, the integration of any business that we may acquire in the future may disrupt our existing business and may be a complex, risky and costly endeavor for which we may never realize the full benefits of the acquisition. Accordingly, although we may not undertake or successfully complete any additional

transactions of the nature described above, any additional transactions that we do complete could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our insurance policies are expensive and only protect us from some business risks, which will leave us exposed to significant uninsured liabilities.

We carry business interruption coverage to mitigate certain potential losses, but this insurance is limited in amount and may not be sufficient in type or amount to cover us against claims related to our operations. We cannot be certain that such potential losses will not exceed our policy limits, insurance will continue to be available to us on economically reasonable terms, or at all, or any insurer will not deny coverage as to any future claim. In addition, we may be subject to changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements.

Further, we do not carry insurance for all categories of risk that our business may encounter. Some of the policies we currently maintain include products and completed operations liability, business personal property and directors' and officers' insurance. We do not know, however, if we will be able to maintain insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which would materially and adversely affect our business, financial condition and results of operations.

Our employees, independent contractors, consultants, Biote-certified practitioners, Biote-partnered clinics, medical advisors and suppliers may engage in misconduct or other improper activities, including non-compliance with professional and regulatory standards and requirements, which could have a material adverse effect on our business.

We are exposed to the risk that our employees, independent contractors, consultants, Biote-certified practitioners, Biote-partnered clinics, medical advisors and suppliers may engage in misconduct or other improper activities. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violates: (i) FDA laws and regulations or those of comparable international regulatory authorities, including those laws that require the reporting of true, complete and accurate information to the FDA, (ii) compounding and manufacturing standards, (iii) federal and state data privacy, security, fraud and abuse and other healthcare laws and regulations established and enforced by comparable international regulatory authorities, or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible to identify and deter misconduct by employees and third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Additionally, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of significant fines or other sanctions.

Extreme weather conditions, natural disasters, and other catastrophic events, including those caused by climate change, could negatively impact our results of operations and financial condition.

Extreme weather conditions and volatile changes in weather conditions in the areas in which our offices, suppliers, Biote-partnered clinics, dietary supplement third-party manufacturers, and suppliers are located could adversely affect our results of

operations and financial condition. Moreover, natural disasters such as earthquakes, hurricanes, tsunamis, floods, monsoons or wildfires, public health crises, such as pandemics and epidemics (including, for example, the COVID-19 pandemic), political crises, such as terrorist attacks, war and other political instability, or other catastrophic events, whether occurring in the United States or abroad, and their related consequences and effects, including energy shortages, could disrupt our operations, the operations of our vendors and other suppliers or result in economic instability that could negatively impact practitioner or clinic spending, any or all of which would negatively impact our results of operations and financial condition. In particular, these types of events could impact our global supply chain, including the ability of manufacturers to produce our Biote-branded dietary supplement products to Biote-partnered clinics or Biote-certified practitioners from or to the impacted region(s). For instance, in 2022 we experienced hurricane-related closures of 140 medical clinics in Florida and Puerto Rico, two of our key markets. If such closures continue or we experience similar closures in the future, there could be a material adverse effect on our business, financial condition and results of operations.

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions could adversely affect our results of operations and financial condition.

Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any such events or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. For example, on March 10, 2023, the Federal Deposit Insurance Corporation ("FDIC") took control and was appointed as the receiver of Silicon Valley Bank. Similarly, on March 12, 2023, Signature Bank and Silvergate Capital Corp. were each swept into receivership. Although the FDIC announced that all deposits with these banks would be fully insured, there continues to be uncertainty in the markets regarding the stability of regional banks and the safety of deposits in excess of the FDIC insured deposit limits. If other banks and financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our ability to access our existing cash may be threatened. The FDIC only insures

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accounts in amounts up to $250,000 per depositor per insured bank, and we currently have cash deposited in certain financial institutions significantly in excess of FDIC insured levels. If any of the banking institutions in which we have deposited funds ultimately fails, we may lose our deposits over $250,000. The loss of our deposits may have a material adverse effect on our business and financial condition. The ultimate outcome of these events cannot be predicted, but these events could have a material adverse effect on our business. Additionally, weakness and volatility in capital markets and the economy, in general or as a result of bank failures or macroeconomic conditions such as rising high inflation, could limit our access to capital markets and increase our costs of borrowing. If adequate funds are not available on acceptable terms, we may be unable to invest in future growth opportunities, which could harm our business, operating results and financial condition.

Market and economic conditions may negatively impact the Company's business, financial condition and stock price.

Concerns over inflation, energy costs, geopolitical issues, including the ongoing conflict between Russia and Ukraine and the Israel-Hamas war, unstable global credit markets and financial conditions, and volatile oil prices could lead to periods of significant economic instability, diminished liquidity and credit availability, declines in consumer confidence and discretionary spending, diminished expectations for the global economy and expectations of slower global economic growth going forward. For example, in December 2022, 2023, the U.S. Consumer Price Index (" ("CPI"), which measures a wide-ranging basket of goods and services, rose 6.5% 3.4% from the same month a year ago. The Company's general business strategy may be adversely affected by any such inflationary fluctuations, economic downturns, volatile business environments and continued unstable or unpredictable economic and market conditions. Additionally, rising costs of goods and services purchased by the Company, including its raw materials used in manufacturing its product, may have an adverse effect on the Company's gross margins and profitability in future periods. Increased inflation rates can adversely affect us by increasing our costs, including labor and employee benefit costs. Any significant increases in inflation and related increase in interest rates could have a material adverse effect on our business, results of operations and financial condition. If economic and market conditions continue to deteriorate or do not improve, it may make any necessary debt or equity financing more difficult to complete, more costly and more dilutive to the Company's stockholders. Failure to secure any necessary financing in a timely manner or on favorable terms could have a material adverse effect on the Company's financial performance and stock price or could require the Company to delay or abandon development other business plans. In addition, there is a risk that one or more of the Company's current and future service providers, manufacturers, suppliers, and other facilities, and other partners could be negatively affected by such difficult economic factors, which could adversely affect the Company's ability to attain its operating goals on schedule and on budget or meet its business and financial objectives.

Risks Related to Intellectual Property

If we are unable to obtain and maintain patent protection for any products or methods we develop, or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize products similar or identical to our Biote-branded dietary supplements, and our ability to successfully commercialize any products we may develop may be adversely affected. If we are not able to maintain freedom to operate for our products from third-party intellectual property rights, our ability to commercialize products may be limited unless we secure a license to such rights.

Our success depends in part on our ability to obtain and maintain patent and other intellectual property protection in the United States and other countries with respect to our Biote-branded dietary supplements.

We rely on a combination of contractual provisions, confidentiality procedures and copyright, trademark, trade secret and other intellectual property rights to protect the proprietary aspects of our brands, technologies, and data. These legal measures afford only limited protection, and competitors or others may gain access to or use our intellectual property and proprietary information. Our success will depend, in part, on preserving our trade secrets, maintaining the security of our data and know-how, obtaining and maintaining patents and obtaining other intellectual property rights.

We may not be able to obtain and maintain intellectual property or other proprietary rights necessary to our business or in a form that provides us with a competitive advantage. For example, our trade secrets, data and know-how could be subject to unauthorized use, misappropriation or disclosure to unauthorized parties, despite our efforts to enter into confidentiality agreements with our employees, consultants, contractors, clients and other vendors who have access to such information and could otherwise become known or be independently discovered by third parties. In addition, the patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications at a reasonable cost, in a timely manner, or in all jurisdictions where protection may be commercially advantageous, or we may not be able to protect our intellectual property at all. Despite our efforts to protect our intellectual property, unauthorized parties may be able to obtain and use information that we regard as proprietary. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Although we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, consultants, contractors, collaborators, Biote-certified practitioners, Biote-partnered clinics, vendors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection.

Our other intellectual property, including our trademarks, could also be challenged, invalidated, infringed and circumvented by third parties, and our trademarks could also be diluted, declared generic or found to be infringing on other marks, in which case we

could be forced to re-brand our Biote-branded dietary supplements, resulting in loss of brand recognition and requiring us to devote resources to advertising and marketing new brands, and suffer other competitive harm. Third parties may also adopt trademarks similar to ours, which could harm our brand identity and lead to market confusion.

We may in the future also be subject to claims by our former employees, consultants or contractors asserting an ownership right in our patents or patent applications, as a result of the work they performed on our behalf. Although we generally require all of our employees, consultants, contractors and any other collaborators who have access to our proprietary know-how, information or technology to assign or grant similar rights to their inventions to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to our intellectual property, nor can we be certain that our agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which we may not have an adequate remedy.

Failure to obtain and maintain patents, trademarks and other intellectual property rights necessary to our business and failure to protect, monitor and control the use of our intellectual property rights could negatively impact our ability to compete and cause us to incur significant expenses. The intellectual property laws and other statutory and contractual arrangements in the United States and other jurisdictions we depend upon may not provide sufficient protection in the future to prevent the infringement, use, violation or misappropriation of our patents, trademarks, data, technology and other intellectual property, and may not provide an adequate remedy if our intellectual property rights are infringed, misappropriated or otherwise violated. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

We may become a party to intellectual property litigation or administrative proceedings that could be costly and could interfere with our ability to sell and market the Biote Method and our Biote-branded dietary supplements.

Our industry has been characterized by extensive litigation regarding patents, trademarks, trade secrets and other intellectual property rights, and companies in the industry have used intellectual property litigation to gain a competitive advantage. It is possible that we may be accused of misappropriating third parties' trade secrets. Additionally, our Biote-branded dietary supplements are produced by third-party vendors and may include components that are outside of our direct control. Our competitors may have applied for or obtained, or may in the future apply for or obtain, patents or trademarks that will prevent, limit or otherwise interfere with our ability to use and sell the Biote Method, or use, sell and/or export our Biote-branded dietary supplements, or our ability to use product names. Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. From time to time, we may receive threatening letters, notices or "invitations to license," or may be the subject of claims that the Biote Method, our Biote-branded dietary supplements and business operations infringe or violate the intellectual property rights of others. The defense of these matters can be time consuming, costly to defend in litigation, divert management's attention and resources, damage our reputation and brand and cause us to incur significant expenses or make substantial payments. Vendors from whom we purchase products may not indemnify us in the event that such products accused of infringing a third-party's patent or trademark or of misappropriating a third-party's trade secret, or any indemnification granted by such vendors may not be sufficient to address any liability and costs we incur as a result of such claims. Additionally, we may be obligated to indemnify Biote-partnered clinics, Biote-certified practitioners or business partners in connection with litigation and to obtain licenses, which could further exhaust our resources.

Even if we believe a third-party's intellectual property claims are without merit, there is no assurance that a court would find in our favor, including on questions of infringement, validity, enforceability or priority of patents. The strength of our defenses will depend on the patents asserted, the interpretation of these patents, and our ability to invalidate the asserted patents. A court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, which could materially and adversely affect our ability to commercialize any products or technology we may develop and any other products or technologies covered by the asserted third-party patents. In order to successfully challenge the validity of any such U.S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U.S. patent claim, there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent.

Conversely, the patent owner need only prove infringement by a preponderance of the evidence, which is a lower burden of proof.

Further, if patents, trademarks or trade secrets are successfully asserted against us, this may harm our business and result in injunctions preventing us from selling the Biote Method and our Biote-branded dietary supplements, or result in obligations to pay license fees, damages, attorney fees and court costs, which could be significant. In addition, if we are found to willfully infringe third-party patents or trademarks or to have misappropriated trade secrets, we could be required to pay treble damages in addition to other penalties.

Although patent, trademark, trade secret and other intellectual property disputes have often been settled through licensing or similar arrangements, costs associated with such arrangements may be substantial and could include ongoing royalties. We may be unable to obtain necessary licenses, if any, on satisfactory terms, if at all. In addition, if any license we obtain is non-exclusive, we may not be able to prevent our competitors and other third parties from using the intellectual property or technology covered by such license to compete with us. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Similarly, interference or derivation proceedings provoked by third parties or brought by the U.S. Patent and Trademark Office (the “USPTO”), may be necessary to determine priority with respect to our patents, patent applications, trademarks or trademark applications. We may also become involved in other proceedings, such as reexamination, *inter partes* review, derivation or opposition proceedings before the USPTO or other jurisdictional body relating to our intellectual property rights or the intellectual property rights of others. Adverse determinations in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent third-party suppliers from manufacturing our Biote-branded dietary supplements, which would have a significant adverse impact on our business, financial condition and results of operations.

Additionally, we have filed and may in the future file lawsuits or initiate other proceedings to protect or enforce our intellectual property rights, which could be expensive, time consuming and unsuccessful. We are currently party to two open litigation matters involving terminated practices and practitioners who we filed suit against to enforce post-termination contractual obligations where the defendants offered a competing hormone pellet therapy within the contractual two-year restrictive period without paying our requisite buy-out or residual benefit fee.

Competitors may infringe our issued patents or other intellectual property, which we may not always be able to detect. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property or alleging that our intellectual property is invalid or unenforceable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may raise challenges to the validity of certain of our owned patent claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review, *inter partes* review, interference proceedings, derivation proceedings and equivalent proceedings in international jurisdictions (e.g., opposition proceedings). In any such lawsuit or other proceedings, a court or other administrative body may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question.

The outcome following legal assertions of invalidity and unenforceability is unpredictable. If a third-party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the protection on products that we may develop. If our patents are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer's competition in the market. An adverse result in any litigation or other proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Even if resolved in our favor, litigation or other proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors

perceive these results to be negative, it could have a substantial adverse effect on the price of our Class A common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation. Uncertainties resulting from the initiation and continuation of patent and other intellectual property litigation or other proceedings could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to protect the confidentiality of our other proprietary information, our business and competitive position may be harmed.

In addition to patent protection, we also rely on other proprietary rights, including protection of trade secrets, and other proprietary information that is not patentable or that we elect not to patent. However, trade secrets can be difficult to protect and some courts are less willing or unwilling to protect trade secrets. To maintain the confidentiality of our trade secrets and proprietary information, we rely heavily on confidentiality provisions that we have in contracts with our employees, consultants, contractors, Biote-certified practitioners, collaborators and others upon the commencement of their relationship with us. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes. We may not be able to prevent the unauthorized disclosure or use of our technical knowledge or other trade secrets by such third parties, despite the existence generally of these confidentiality restrictions. These contracts may not provide meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know-how or other proprietary information. There can be no assurance that such third parties will not breach their agreements with us, that we will have adequate remedies for any breach, or that our trade secrets will not otherwise become known or independently developed by competitors. Despite the protections we do place on our intellectual property or other

proprietary rights, monitoring unauthorized use and disclosure of our intellectual property is difficult, and we do not know whether the steps we have taken to protect our intellectual property or other proprietary rights will be adequate. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. The laws of many countries will not protect our intellectual property or other proprietary rights to the same extent as the laws of the United States. Consequently, we may be unable to prevent our proprietary technology from being exploited in the United States and abroad, which could affect our ability to expand in domestic and international markets or require costly efforts to protect our technology.

To the extent our intellectual property or other proprietary information protection is incomplete, we are exposed to a greater risk of direct competition. A third-party could, without authorization, copy or otherwise obtain and use our Biote-branded dietary supplements, technology, or develop similar technology. Our competitors could purchase our Biote-branded dietary supplements and attempt to replicate some or all of the competitive advantages we derive from our development efforts or design around our protected technology. Our failure to secure, protect and enforce our intellectual property rights could substantially harm the value of our Biote-branded dietary supplements, as well as the value of our brand and business. The theft or unauthorized use or publication of our trade secrets and other confidential business information could reduce the differentiation of our Biote-branded dietary supplements and harm our business, the value of our investment in development or business acquisitions could be reduced and third parties might make claims against us related to losses of their confidential or proprietary information.

Further, it is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology, and in such cases, we could not assert any trade secret rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our trade secret rights and related confidentiality and non-disclosure provisions. If we fail to obtain or maintain trade secret protection, or if our competitors obtain our trade secrets or independently develop technology similar to ours or competing technologies, our competitive market position could be materially and adversely affected. In addition, some courts are less willing or unwilling to protect trade secrets, and agreement terms that address non-competition are difficult to enforce in many jurisdictions and might not be enforceable in certain cases.

We also seek to preserve the integrity and confidentiality of our data and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached and detecting the disclosure or misappropriation of confidential information and enforcing a claim that a party illegally disclosed or misappropriated confidential information is difficult, expensive and time-consuming, and the outcome is unpredictable. Further, we may not be able to obtain adequate remedies for any breach. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

We may be subject to claims that we or our employees, consultants or contractors have wrongfully used, disclosed or otherwise misappropriated the intellectual property of a third-party, including trade secrets or know-how, or are in breach of

non-competition or non-solicitation agreements with our competitors or claims asserting an ownership interest in intellectual property we regard as our own.

Many of our employees, consultants and contractors were previously employed at or engaged by other medical device, biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees, consultants and contractors may have executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees, consultants and contractors do not use the intellectual property, proprietary information, know-how or trade secrets of others in their work for us, we may be subject to claims that we or these individuals have, inadvertently or otherwise, used, disclosed or otherwise misappropriated intellectual property, including trade secrets or other proprietary information, of their former employers or our competitors or potential competitors. Additionally, we may be subject to claims from third parties challenging our ownership interest in intellectual property we regard as our own, based on claims that our employees, consultants or contractors have breached an obligation to assign inventions to another employer, to a former employer, or to another person or entity.

Litigation may be necessary to defend against such claims, and it may be necessary or we may desire to enter into a license to settle any such claim; however, there can be no assurance that we would be able to obtain a license on commercially reasonable terms, if at all. If our defense to those claims fails, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. For example, a court could prohibit us from using technologies or features that are essential to the Biote Method or our Biote-branded dietary supplements, if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employer. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

An inability to incorporate technologies or features that are important or essential to the Biote Method and our Biote-branded dietary supplements could have a material adverse effect on our business, financial condition and results of operations, and may prevent us from providing our training and selling our Biote-branded dietary supplements. Any litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent sales representatives. A loss of key personnel or their work product could hamper or prevent our ability to commercialize the products that we recommend as part of our training and our Biote-branded dietary supplements, which could have an adverse effect on our business, financial condition and results of operations.

We may be subject to claims challenging our intellectual property.

We or our licensors may be subject to claims that former consultants, contractors or other third parties have an interest in our trade secrets or other intellectual property as an inventor or co-inventor. While it is our policy to require our employees, consultants and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to our Biote-branded dietary supplements. Any such events could have a material adverse effect on our business, financial condition and results of operations.

If our trademarks and trade names are not adequately protected, then we may not be able to build brand recognition in our markets and our business may be adversely affected.

We rely on trademarks, service marks, trade names and brand names to distinguish our training and Biote-branded dietary supplements from our competitors and have registered or applied to register these trademarks. Our registered or unregistered trademarks, service marks, trade names and brand names may be challenged, infringed, diluted, circumvented or declared generic or determined to be infringing on other marks. Additionally, we cannot assure you that our trademark applications will be approved. During trademark registration proceedings, we may receive rejections. Although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in proceedings before the USPTO and comparable agencies in many international jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. In the event that our trademarks are successfully challenged, we could be forced to rebrand our Biote-branded dietary supplements, which could result in loss of brand recognition and could require us to devote significant resources towards advertising and marketing new brands. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In some cases, we may need to litigate claims to enforce our rights in our marks to avoid market confusion. Certain of our current or future trademarks may become so well known by the public that their use becomes generic and they lose trademark protection. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

Risks Related to Regulation

We market dietary supplements and convenience kits, which are regulated by the FDA, and are subject to certain requirements under the FDCA and the laws enforced by the FTC. Our failure to meet those requirements could cause us to cease certain of our business activities and may involve the payment of financial penalties.

We sell dietary supplements and convenience kits, which are regulated by the FDA. Each of these product categories have differing requirements that must be followed to ensure compliance with the FDCA and regulations promulgated thereunder, and failure to do so may result in the products being misbranded or adulterated. If we are found to have manufactured, distributed, sold, or labeled any products in violation of the FDCA, we may face significant penalties which may result in a material adverse effect on our business, financial condition, and results of operations.

The FTC enforces the Federal Trade Commission Act (the “FTCA”) and related regulations, which governs the advertising associated with the promotion and sale of our Biote-branded dietary supplements to prevent misleading or deceptive claims. For advertisements relating to dietary supplements, the FTC typically requires all factual claims, both express and implied, to be substantiated by competent and reliable scientific evidence. The FTC has promulgated policies and guidance that apply to advertising for dietary supplements that may be costly to comply with. The FDA may also determine that a particular dietary supplement or ingredient that we may market presents an unacceptable health risk. If that occurs, we could be required to cease distribution of and/or recall Biote-branded dietary supplements containing that ingredient.

The FDA or FTC may also determine that certain labeling, advertising and promotional claims, statements or activities with respect to a dietary supplement are not in compliance with applicable laws and regulations and may determine that a particular statement is an unapproved health claim, a drug claim, a false or misleading claim, or a deceptive advertising claim. Any such determination or any other failure to comply with FDA, FTCA or other regulatory requirements could prevent us from marketing our Biote-branded dietary supplements as a dietary supplement and subject us to administrative, civil or criminal penalties. The FTC has instituted numerous enforcement actions against dietary supplement companies for making false or misleading advertising claims and for failing to adequately substantiate claims made in advertising. These enforcement actions have often resulted in warning letters, consent decrees and the payment of civil penalties and/or restitution by the companies involved. Should the FTC or FDA determine that our claims are false or misleading or unsubstantiated, we could be subject to FTC and FDA enforcement action and may face significant penalties which may result in a material adverse effect on our business, financial condition, and results of operations.

We have developed and market a method and training program where the practitioner may prescribe a compounded bioidentical hormone. Compounded drugs are regulated by the FDA and are subject to certain requirements under the FDCA. Failure of compounding entities to meet those requirements could cause us to cease certain of our business activities and may involve the payment of financial penalties.

While we do not sell compounded or prescription drugs, we have developed and market a method and training program where the practitioner may prescribe a compounded bioidentical hormone that is made by a third-party 503B outsourcing facility and requires compliance with the FDCA, and failure to do so may result in the products being misbranded or adulterated. Amendments to the FDCA in 2013 created Section 503B, which creates a category of compounding pharmacies known as “outsourcing facilities” which are subject to certain FDCA requirements, including the requirement to adhere to cGMP regulations, though it exempts such facilities from certain of the FDCA requirements that otherwise apply to drug manufacturers. Understanding and complying with these laws and regulations may require substantial time, money, and effort. While we have only established relationships with 503B outsourcing facilities to support practitioners, if we are found to have manufactured, distributed, marketed, sold, or labeled any products in violation of the FDCA, we may face significant penalties which may result in a material adverse effect on our business, financial condition, and results of operations.

Compounded preparations and the pharmacy compounding industry are subject to regulatory scrutiny, which may impair our growth and sales.

Formulations prepared and dispensed by compounding pharmacies are not approved by the FDA. As we are a medical marketing and training company, we do not manufacture or compound pharmaceutical products. However, we contract with FDA-registered 503B outsourcing facilities to build relationships to support Biote-certified practitioners by offering an option for the compounding of bioidentical hormone pellets that the practitioner may order to prescribe. These pellets, compounded by 503B outsourcing facilities, are not subject to the FDA new drug approval process. Certain compounding pharmacies have been the subject of widespread negative media coverage in recent years.

Additionally, the outsourcing facilities with which we have relationships must comply with applicable provision provisions of the FDCA and its implementing regulations. They may only distribute compounded drugs either pursuant to a patient-specific prescription or in response to an order from a healthcare provider, such as a hospital, that which is not for an identified individual patient (e.g., for office stock). Further, such outsourcing facilities are inspected by the FDA according to a risk-based schedule, and must meet certain other conditions, such as reporting adverse events and providing the FDA with certain information about the products they compound. When the FDA finds that a manufacturer has violated FDA regulations, the FDA may notify the manufacturer of such violations in the form of a warning letter. The FDA also will issue an FDA Form 483 at the conclusion of an inspection if an investigator has observed a violative condition relating to the manufacturing and storage conditions of any drug product that may result in the product being adulterated, or any other regulatory non-compliance such as inadequate reporting or record-keeping. The outsourcing facilities with which we have relationships have each received warning letters and FDA Form 483s from the FDA. If the FDA takes enforcement action against outsourcing facilities with which we have relationships, it may have a material adverse impact on our business, results of operations and financial conditions.

Additionally, state laws and regulations may differ from the FDCA. We and the 503B outsourcing facilities are required to comply with state laws and regulations in the states where we and they do business. Efforts to ensure compliance with these laws may require ongoing substantial cost. For example, some of the 503B outsourcing facilities with which we have relationships have received unfavorable enforcement actions from state regulators for non-compliance. Failure to comply with applicable state laws and regulations could expose us and these 503B outsourcing facilities to significant penalties which may harm our business, results of operations and financial condition.

If a compounded drug formulation provided through a compounding pharmacy or an outsourcing facility leads to patient injury or death or results in a product recall, we may be exposed to significant liabilities and reputational harm.

We could be adversely affected if compounded pellets are subject to negative publicity. We could also be adversely affected if compounded pellets sold by any compounding outsourcing facilities, prove to be, or are asserted to be, harmful to patients or are otherwise subject to negative publicity. For example, in 2015, the FDA required labeling changes for prescription testosterone replacement therapy to warn of increased risk of heart attacks and strokes. There are a number of factors that could result in the injury or death of a patient who receives a compounded formulation, including quality issues, manufacturing or labeling flaws, improper packaging or unanticipated or improper uses of the products, any of which could result from human or other error. Any of these situations could lead to a recall of, or safety alert relating to, one or more of the products we recommend as part of our training. Similarly, to the extent any of the components of approved drugs or other ingredients used by the outsourcing facilities with whom we have relationships have quality or other problems that adversely affect the finished compounded preparations, our sales could be adversely affected. For example, some of the contracted outsourcing facilities have been the subject of civil suits alleging patient harm as a result of an improper formulation unrelated to the products we recommend. If a product which we recommend as part of our training becomes the subject of a civil or criminal suit, we may be subject to significant liability for any damages suffered by the plaintiffs and associated costs and penalties. Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. In addition, in the ordinary course of business, a voluntarily voluntary recall of one of the products we recommend as part of our training or may be instituted in response to a practitioner or clinic complaint. Because of our dependence upon medical and patient perceptions, any adverse publicity associated with illness or other adverse effects resulting from the use or misuse of the compounded products we recommend as part of our training or any other compounded formulations made or sold by other companies, could have a material adverse impact on our business, results of operations and financial condition.

If the FDA takes regulatory action to implement any of the NASEM recommendations for compounded bioidentical hormones, this may have a substantial effect on the ability of the outsourcing facilities to compound the hormone pellets utilized by Biote-certified practitioners, which would have a substantially negative impact on Biote's revenue and business operations.

In fall 2018, the FDA commissioned the NASEM to appoint an ad hoc committee to examine the clinical utility of treating patients with compounded bioidentical hormones. The NASEM committee held a series of open and closed sessions from March 2019 to April 2020, to examine data, research, and stakeholder input in order to form conclusions and recommendations regarding the clinical utility of these products. On July 1, 2020, the NASEM committee published its report, wherein it concluded that there is a lack of high-quality clinical evidence to demonstrate the safety and effectiveness of these products and, accordingly, that there is insufficient evidence to support the overall clinical utility of these products as treatment for menopause and male hypogonadism symptoms. The NASEM Committee recommended restricted use of these products, assessments of their difficulty to compound, and additional education, state and federal regulatory oversight, and research.

More specifically, NASEM Committee made six recommendations to the FDA: (1) Restrict the use of compounded bioidentical hormone preparations; (2) Review select bioidentical hormone therapies and dosage forms as candidates for the FDA Difficult to Compound List; (3) Improve education for prescribers and pharmacists who market, prescribe, compound, and dispense these preparations; (4) Additional federal and state-level oversight should be implemented to better address public health and clinical concerns regarding the safety and effectiveness of these preparations; (5) Collect and disclose conflicts of interest; and (6) Strengthen and expand the evidence base on the safety, effectiveness, and use of these preparations. NASEM's report is purely advisory and non-binding on the FDA. Biote cannot predict whether or not the FDA will accept the recommendations made in the NASEM report in whole, in part, or whether the FDA will reject NASEM's recommendations. If the FDA were to take regulatory action to implement any of NASEM's recommendations, in whole or in part, this may have a substantial effect on the ability of the outsourcing facilities to compound the hormone pellets utilized by Biote-certified practitioners as part of the Biote Method, and, in turn, have a substantially negative impact on Biote's revenue and business operations.

Failure to comply with the FDCA and analogous state laws and regulations can result in administrative, civil, criminal penalties.

The FDA, acting under the scope of the FDCA and its implementing regulations, has broad authority to regulate the manufacture, distribution, and labeling of many products, including medical devices, cosmetics, drugs, and food, including dietary supplements (FDA-regulated products). The FDCA prohibits, among other things, the introduction or delivery for introduction into interstate commerce of any FDA-regulated product that is adulterated or misbranded, as well as the adulteration or misbranding of any FDA-regulated product while the product is in interstate commerce. However, the FDCA does not regulate the practice of medicine. Drugs that are compounded pursuant to a practitioner's orders are considered to be the result of a compounding pharmacy or practitioner combining, mixing, or altering ingredients to create a medication tailored for the needs of a particular patient, and are not regulated as new drugs under the FDCA. We have developed relationships with 503B outsourcing facilities who compound bioidentical pellets to support Biote-certified practitioners who prescribe such products. If any of these compounded bioidentical hormone pellets are determined to be unapproved new drugs or are determined to be adulterated or misbranded under the FDCA, we could be subject to enforcement action by the FDA. If any of our operations are found to have violated the FDCA or any other federal, state, or local statute or regulation that may apply to us and our business, we could face significant penalties including the seizure of product, civil, criminal, and administrative penalties, damages, fines, disgorgement, imprisonment, contractual damages, reputational harm, and diminished profits and future earnings. Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be significantly impaired. Additionally, the FDA or analogous state agencies could determine that we or the outsourcing facilities with whom we have relationships are not in compliance with the FDCA or analogous or related state laws applicable to outsourcing facilities, which could significantly impact our business. Further, the FDA could recommend a voluntary recall, or issue a public health notification or safety notification about one or more of the products we recommend in training, which could materially harm our business, financial condition, and results of operations.

If we fail to comply with FDA or state regulations governing our Biote-branded dietary supplements, our business could suffer.

We also market Biote-branded dietary supplements that are regulated by the FDA or state regulatory authorities. We may need to develop and maintain a robust compliance and quality program to ensure that the products that we market comply with all applicable laws and regulation, regulations, including the FDCA. If we are found to have manufactured, distributed, sold, or labeled any products in violation of the FDCA, we may face significant penalties which may result in a material adverse effect on our business, financial condition, and results of operations. For example, in May 2017, we received a warning letter from the FDA concerning both cGMP violations observed during a 2016 FDA inspection of our facility, and unapproved new drug claims that were made for certain of our dietary supplement products (the "Warning Letter"). Although our response to the Warning Letter resulted in a closeout by the FDA in

May 2018, we cannot assure you that we will not receive warning letters or other regulatory action by the FDA on the same or similar violations in the future.

If we fail to comply with FDA regulations governing our medical device products, our business could suffer.

We also offer for sale to practitioners two convenience kits for use with hormone optimization therapies, one for male patients and one for female patients. These kits largely contain commercially available products, including only disposable supplies (e.g., gloves, antiseptic, gauze, disposable trocar, etc.) assembled in a sterile package. The products contained in the kits are sourced, assembled, and supplied by Medline Industries, LP, with the components, including the Class 1 disposable trocars, being manufactured by various other component suppliers. Trocars and convenience kits are medical devices that are regulated by the FDA. Because we previously manufactured and sold reusable and disposable trocars, we registered with the FDA as a repackager, relabeler and specification developer, and we currently list the trocars we previously manufactured and the convenience kits we currently sell in compliance with FDA registration and listing requirements. We may need to develop and maintain a robust compliance and quality program to ensure that the convenience kits we sell comply with all applicable laws and regulation, including the FDCA and other regulatory requirements thereunder including for example cGMPs and Medical Device Reporting (MDR) where applicable. If the FDA determines that the convenience kits we sell require 510(k) clearance, or are otherwise considered unapproved medical devices, we may be in violation of the FDCA.

Additionally, we offer our proprietary clinical decision support (“CDS”) software to practitioners to provide information from published literature and clinical guidelines to assist practitioners in providing precise, patient-specific treatment options at various intervals through a patient’s therapy. The FDA has recently issued a non-binding final CDS guidance that significantly narrows what the agency considers non-device CDS. Further, since this final guidance, the FDA has begun to issue warnings for CDS products that are not exempt under the 21st Century Cures Act. For example, on September 19, 2023, the FDA issued a warning letter to Abiomed Inc., in which it explained that Abiomed’s software was an adulterated and misbranded medical device because the agency disagreed with Abiomed’s assessment that the software product was non-device CDS. If the FDA determines that our CDS is a medical device under the FDCA, the FDA may determine that our algorithm requires premarket approval or clearance, and may determine that unless and until we obtain such premarket approval or clearance that we are distributing an unapproved medical device in violation of the FDCA. If we are found to have manufactured, distributed, sold, or labeled any medical devices in violation of the FDCA, we may face significant penalties which may result in a material adverse effect on our business, financial condition, and results of operations.

If the products recommended as part of training in the Biote Method are not covered by third-party and government payors we could see decreased demand for our training and support services.

Coverage and reimbursement from third party payors, such as commercial health insurers and governmental health care programs, may not be available for the products recommended as part of our training in the Biote Method. To the extent that these products are not reimbursable by third party payors, the demand for these products may be diminished. If the products recommended as part of training in the Biote Method do not generate patient demand, we may be unable to attract physicians to take part in our training and support services. If we are unable to attract physicians to participate in our training and utilize our support services, our business, results of operations and financial condition could be adversely affected.

If our information technology systems or data is or were compromised, we could experience adverse consequences resulting from such compromise, including, but not limited to, interruptions to our operations, operations; claims that we breached our data protection obligations, obligations; decreased use of the Biote Method, Method; loss of Biote-partnered clinics or Biote-certified practitioners or sales, sales; regulatory investigations or actions; litigation; fines and harm to our reputation. penalties; reputational harm; loss of revenue or profits; and other adverse consequences.

Operating our business (including the Biote Method) involves the collection, storage, transmission, disclosure and other processing of proprietary, confidential and sensitive information, as well as the personal information of patients that we may receive from clinics. We may rely upon third-party service providers, such as identity verification and payment processing providers, for our information processing-related activities. We may share or receive sensitive information with or from third parties. We also depend on our information technology systems for the efficient functioning of our business, including to support Biote Method, our end-to-end platform to enable Biote-certified practitioners to establish, build, and successfully operate a Biote-partnered clinic for optimizing hormone levels in their specific aging patient population, the distribution and maintenance of our Biote-branded dietary supplements, as well as for accounting, data storage, compliance, purchasing and inventory management.

In an effort to protect sensitive information, we have implemented security measures designed to protect against security incidents and protect sensitive information. However, advances in information technology capabilities, increasingly sophisticated tools and methods used by hackers, cyber terrorists and other threat actors, new or other developments, and intentional or accidental exposures of sensitive information by those with authorized access to our network, may result in our failure or inability to adequately protect sensitive information. We may expend significant resources or modify our business activities in an effort to protect our information and against security incidents. Certain information privacy and security obligations may require us to implement and maintain specific security measures, industry-standard or reasonable security measures to protect our information technology systems and information.

We are subject to a variety of evolving threats including, but not limited to, hacking, malware, computer viruses, unauthorized access, phishing or social engineering attacks, ransomware malware (including ransomware) attacks, credential stuffing attacks, denial-of-service attacks, supply-chain attacks, software bugs, information technology malfunction, software or hardware failures, loss of data, theft of data, misuse of data, telecommunications failures, earthquakes, fire, flood, exploitation of software vulnerabilities, and other real or perceived threats. Any of these incidents could lead to interruptions or shutdowns of our IT systems, loss or corruption of data or unauthorized access to, or disclosure of personal data or other sensitive information. Ransomware attacks, including those from organized criminal threat actors, nation-states and nation-state supported actors, are becoming increasingly prevalent and severe and can lead to significant interruptions, delays, or outages in our operations, loss of data, loss of income, significant extra expenses to restore data or systems, reputational loss and the diversion of funds. To alleviate the financial, operational and reputational impact of a ransomware attack it may be preferable to make extortion payments, but we may be unwilling or unable to do so. Cyberattacks could also result in the theft of our intellectual property, damage to our IT systems or disruption of our ability to make financial reports, and other public disclosures required of public companies.

Cyber-attacks, malicious internet-based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive information and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer “hackers,” threat actors, “hacktivists,” organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation-state-supported actors. We have been subject to attempted cyber, phishing, or social engineering attacks in the past and may continue to be subject to such attacks and other cybersecurity incidents in the future. If we gain greater visibility, we may face a higher risk of being targeted by cyberattacks. Advances in information technology capabilities, new technological discoveries, or other developments are likely to result in cyberattacks becoming more sophisticated and more difficult to detect. We and third parties upon whom we rely for our information technology systems and information, may experience such cyberattacks and may not have the resources or technical sophistication to anticipate or prevent all threats. Moreover, techniques used to obtain unauthorized access to systems change frequently and may not be known until launched. Security breaches can also occur as a result of non-technical issues, including intentional or inadvertent actions by our personnel and third-party service providers (including their personnel). Any of the previously identified or similar threats could cause a security incident. A security incident could result in unauthorized, unlawful or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of or access to information.

In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position. Additionally, sensitive information of the Company or our customers could be leaked, disclosed, or revealed as a result of or in connection with our employees’, personnel’s, or vendors’ use of generative AI (“AI”) technologies. Our employees and personnel use generative AI technologies to perform their work, and the disclosure and use of personal data in generative AI technologies is subject to various privacy laws and other privacy obligations. Governments have passed and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages.

Applicable information privacy and security obligations may require us to notify relevant stakeholders of security incidents. Such disclosures are costly, and the disclosures or the failure to comply with such requirements, could lead to adverse impacts. If we (or a third-party upon whom we rely) experience a security incident or are perceived to have experienced a security incident, we may experience adverse consequences. These consequences may include: government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and/or oversight; restrictions on processing data (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; interruptions in our operations (including availability of data); financial loss; and other similar harms. Security incidents and attendant consequences may cause Biote-partnered clinics or Biote-certified practitioners to stop using the Biote Method and Biote-branded dietary supplements and may deter new clinics and practitioners from using the Biote Method and Biote-branded dietary supplements and negatively impact our ability to grow and operate our business.

While we maintain cyber errors and omissions insurance coverage that covers certain aspects of cyber risks, these losses may not be adequately covered by insurance or other contractual rights available to us. Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. The successful assertion of one or more large claims against us that exceed or are not covered by our insurance coverage or changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our business, financial condition, and results of operations.

Further, even in the absence of claims, we cannot be sure that our insurance coverage will be adequate to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

Furthermore, we may be required to disclose personal data pursuant to demands from individuals, privacy advocates, regulators, government agencies, and law enforcement agencies in various jurisdictions with conflicting privacy and security laws. Any disclosure or refusal to disclose personal data may result in a breach of privacy and data protection policies, notices, laws, rules, court

orders, and regulations and could result in proceedings or actions against us in the same or other jurisdictions, damage to our reputation and brand, and inability to provide our trainings and Biote-branded dietary supplements to clinics and practitioners in certain jurisdictions. Additionally, changes in the laws and regulations that govern our collection, use, and disclosure of certain data could impose additional requirements with respect to the retention and security of customer data, could limit our marketing activities, and have an adverse effect on our business, reputation, brand, financial condition, and results of operations.

Following the consummation of the Business Combination, As a public company, we have incurred, and we expect to continue to incur, significant increased expenses and administrative burdens as a public company, which could negatively impact our business, financial condition and results of operations.

Following the consummation of the Business Combination, As a public company, we have faced increased legal, accounting, administrative and other costs and expenses in connection with operation as a public company which Biote did not incur as a private company. expenses. Our significantly increased expenses and administrative burdens as a public company could have an adverse effect on our business, financial condition and results of operation. The Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended (the "Dodd-Frank Act") and the rules and regulations promulgated and to be promulgated thereunder, and the securities exchanges, impose additional reporting and other obligations on public companies. Compliance with public company requirements has increased, and may continue to increase, costs and make certain activities more time-consuming. A number of those requirements requires us to carry out activities that Biote has not done previously. For example, we have adopted new charters for our board committees and new internal controls and disclosure controls and procedures. In addition, expenses associated with SEC reporting requirements and stock exchange listing requirements have been, and will continue to be, incurred. Furthermore, if any issues in complying with those requirements are identified (for example, if the auditors identify a material weakness or significant deficiency in the internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of it. It may also be more expensive to obtain director and officer liability insurance. Risks associated with our status as a public company may make it more difficult to attract and retain qualified persons to serve on our board of directors or as executive officers. The additional reporting and other obligations imposed by these rules and regulations may continue to increase legal and financial compliance costs and the costs of related legal, accounting and administrative activities. These increased costs require us to divert a significant amount of money that could otherwise be used to expand the business and achieve strategic objectives. Additionally, advocacy efforts by stockholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs.

Our internal controls over financial reporting currently do not meet all of the standards contemplated by Section 404 of the Sarbanes-Oxley Act, and a material weakness weaknesses resulted in the restatement of previously issued financial statements. Failure to achieve and maintain an effective system of disclosure controls and internal control over financial reporting could impair our ability to produce timely and accurate financial statements or comply with applicable regulations.

We will eventually be required to provide management's attestation on Management, including our Chief Executive Officer and our Chief Financial Officer, assessed the effectiveness of our internal controls control over financial reporting. The standards required for a public company under Section 404(a) reporting as of the Sarbanes-Oxley Act are significantly more stringent than those required of us as a privately held company prior to the Business Combination. March 31, 2024, and concluded that we did not maintain effective internal control over financial reporting.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis. In the course of preparing our financial statements for the fiscal years ended December 31, 2020 and 2019, our management identified a material weakness in the aggregate in our internal control over financial reporting. Specifically, we determined that we did not have appropriate accounting competence and capabilities to properly record in our financial statements certain complex and non-routine accounting issues, particularly related to revenue recognition, financial instruments, and equity. This resulted in incorrect accounting entries that were identified and corrected through the audit of our fiscal years ended December 31, 2020 and 2019. In addition, this material weakness resulted in errors in the financial statements and related disclosures in our Quarterly Reports on Form 10-Q for the quarters ended June 30, 2022 and September 30, 2022, which we have restated as described in the Quarterly Reports on Form 10-Q/A for each of the affected quarters, each filed on March 29, 2023. This material weakness has not been remediated as of the date of this Quarterly Report.

In order to remediate this material weakness in the aggregate, we plan to continue to hire personnel with public company experience and provide additional training for our personnel on internal controls as our company continues to grow, and engage external consultants to assist in the development and improvement of methodologies, policies and procedures designed to ensure adequate internal control over financial reporting, including the technical application of U.S. GAAP and evaluating segregation of duties. Although we believe these measures will remediate this material weakness, there can be no assurance that the material weakness will be remediated on a timely basis or at all, or that additional material weaknesses will not be identified in the future.

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Our current controls and any new controls that we develop may also become inadequate because of changes in conditions in our business. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our

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periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information.

As a result, the market price of our Class A common stock could be negatively affected, and we could become subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources. In addition, if we are unable to continue to meet these requirements, we may not be able to re-list on Nasdaq.

Our independent registered public accounting firm is not required to formally attest to the effectiveness of our internal control over financial reporting until after we are no longer an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is then documented, designed or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could have an adverse effect on our business and results of operations and could cause a decline in the price of our Class A common stock.

We recently restated our financial statements for certain prior periods, which resulted in unanticipated costs.

As previously announced, we concluded that our previously issued consolidated financial statements as of and for the quarters ended June 30, 2022 and September 30, 2022 (the "Affected Periods") should no longer be relied upon. As a result, we restated the financial statements for the Affected Periods. The restatements of our financial statements for the Affected Periods were due, in part, to an error in the calculation of our earnout valuation, resulting in an overstatement of our earnout liability and our gain (loss) from change in fair value of earnout liability. We also determined that we should attribute changes in fair value of our warrant and earnout liabilities to our operating subsidiary, BioTE Holdings, LLC ("Holdings"), whereas these changes had previously been attributed to the Company due to an error related to the calculation of the fair value of our contingent earnout liability in each of the Affected Periods. We determined that attributing these changes in fair value to Holdings more appropriately reflects the economics of the net income allocation to equity interests in our condensed consolidated financial statements in accordance with Accounting Standards Codification 810, given our "Up-C" structure. As a result, we corrected the error and restated our financial statements for the quarters ended June 30, 2022 and September 30, 2022 to reflect a reduction in our basic and diluted income (loss) per common share, as a pro rata portion of gain (loss) from changes in fair value of the warrant and earnout liabilities attributed to noncontrolling interests of Holdings.

As a result, we incurred unanticipated costs for accounting and legal fees in connection with the restatements. The restatements may negatively impact the trading price of our securities and make it more difficult for us to raise capital on acceptable terms, or at all, which could have a material adverse effect on our business, results of operations and financial condition. See also "Controls and Procedures."

Resales of shares of common stock could depress the market price of our common stock.

As of December 31, 2022 March 31, 2024, 69,808,711 74,470,798 shares (which includes 10,000,000 Earnout Voting Shares and 1,587,500 Sponsor Earnout Shares) of our common stock are outstanding, consisting of 11,242,887 35,651,732 shares of Class A common stock and 58,565,824 38,819,066 shares of Class V voting stock.

Following the Business Combination, shares held by HYAC's public stockholders have been freely tradeable, and the shares held by the Sponsor and the Members, following their exercise of Exchange Rights, are freely tradeable as of the six-month anniversary of the Closing, subject to applicable securities laws. We have also registered all shares of Class A common stock that we may issue under the Incentive Plan or the ESPP. These shares can be freely sold in the public market upon issuance, subject to volume limitations applicable to Affiliates. As a result, there may be a large number of shares of Class A common stock sold in the market. These sales of shares of Class A common stock, or the perception of these sales, may depress the market price of our Class A common stock.

If the benefits from the Business Combination do not meet the expectations of investors, stockholders or financial analysts, the market price of our securities may decline.

If the benefits from the Business Combination do not meet the expectations of investors or securities analysts, the market price of our securities may decline. For example, from the Closing Date through September 30, 2023 May 7, 2024, our stock price fluctuated from a low of $2.00 to a high of $10.51. Fluctuations in the price of our securities could contribute to the loss of all or part of your investment. Immediately prior to the Business Combination, there was not a public market for Biote's stock and trading in the shares of our Class A common stock was not active. Accordingly, the valuation ascribed to Biote and our Class A common stock in the Business Combination may not be indicative of the price that will prevail in the trading market following the Business Combination. The

trading price of our securities could be volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control. Any of the factors listed below could adversely affect your investment in our securities, and our securities may trade at prices significantly below the price you paid for them. In these circumstances, the trading price of our securities may not recover and may experience a further decline.

Factors affecting the trading price of our securities following the Business Combination may include:

- actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;
- changes in the market's expectations about our operating results;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- speculation in the press or investment community;
- success of competitors;
- our operating results failing to meet the expectation of securities analysts or investors in a particular period;

- changes in financial estimates and recommendations by securities analysts concerning the Biote or the market in general;
- operating and stock price performance of other companies that investors deem comparable to the Biote;
- our ability to market new and enhanced products on a timely basis;
- changes in laws and regulations affecting our business;
- commencement of, or involvement in, litigation involving Biote, including the Donovitz Litigation (as defined herein)
- changes in Biote's capital structure, such as future issuances of securities or the incurrence of additional debt;
- the volume of shares of our Class A common stock available for public sale;
- our ability to maintain the listing of our securities on Nasdaq;
- any major change of officers or directors;
- sales of substantial amounts of Class A common stock by our directors, officers or significant stockholders or the perception that such sales could occur; and
- general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations and acts of war or terrorism.

Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general has experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for the stocks of other companies that investors perceive to be similar to Biote could depress our stock price regardless of our business, prospects, financial condition or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

In the past, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management's attention and resources and could also require us to make substantial payments to satisfy judgments or to settle litigation.

We are an "emerging growth company" and a "smaller reporting company" and we take advantage of certain exemptions from disclosure requirements available to emerging growth companies and/or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We are an "emerging growth company" within the meaning of the Securities Act, as modified by the JOBS Act, and we take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor internal controls attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, our stockholders may not have access to certain information they may deem important. We could be an emerging growth company for up to five years following our initial public offering, although circumstances could cause us to lose that status earlier, including if the market value of our Class A common stock held by non-affiliates exceeds $700 million as of any June 30 before that time, in which case we would no longer be an emerging growth company as of the following December 31. We cannot predict whether investors will find our securities

less attractive because we may rely on these exemptions. If some investors find our securities less attractive as a result of our reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. We have elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Additionally, we are a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (1) the market value of our common stock held by non-affiliates exceeds $250 million as of the prior June 30th, or (2) our annual revenues exceeded $100 million during such completed fiscal year and the market value of our common stock held by non-affiliates exceeds $700 million as of the prior June 30th. To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our financial statements with other public companies difficult or impossible.

If we are unable to maintain our listing on Nasdaq, it could become more difficult to sell our Class A common stock in the public market.

Our Class A common stock is listed on Nasdaq. To maintain our listing on this market, we must meet Nasdaq’s listing maintenance standards. On July 20, 2022, Nasdaq suspended trading of our Class A common stock and Public Warrants for failure to meet certain initial listing requirements and indicated it intended to pursue delisting our Class A common stock and Public Warrants once all applicable appeal and review periods expired. On August 25, 2022, Nasdaq approved our application to relist our Class A common stock and Public Warrants and we began trading on August 29, 2022. If we are unable to continue to meet Nasdaq's listing maintenance standards for any reason, our Class A common stock could be delisted from Nasdaq. If delisted, we may seek to list our securities on a different stock exchange or, if one or more broker-dealer market makers comply with applicable requirements, the over-the-counter (OTC) market. Listing on such other market or exchange could reduce the liquidity of our Class A common stock. If our Class A common stock were to trade in the OTC market, an investor would find it more difficult to dispose of, or to obtain accurate quotations for the price of, the Class A common stock.

A delisting from The Nasdaq Global Market and failure to obtain listing on another market or exchange would subject our Class A common stock to so-called penny stock rules that impose additional sales practice and market-making requirements on broker-dealers who sell or make a market in such securities. Consequently, removal from Nasdaq and failure to obtain listing on another market or exchange could affect the ability or willingness of broker-dealers to sell or make a market in our Class A common stock and the ability of purchasers of our Class A common stock to sell their securities in the secondary market.

On November 9, 2023 May 7, 2024, the closing price of our Class A common stock was $4.50 $5.77 per share.

Future resales of Class A common stock may cause the market price of our securities to drop significantly, even if our business is doing well.

The lock-up restrictions agreed to in connection with the A&R IRA have expired, except with respect to the Member Earnout Units, which lock-up restrictions will expire on such later date the Member Earnout Units are earned in accordance with the Business Combination Agreement. As such, each Retained Holdings Unit and corresponding share of Class V voting stock held by the Members (other than the Member Earnout Units) may be redeemed at any time, upon the exercise of such Members' Exchange Rights, in exchange for either one share of Class A common stock or, at the election of the Company Biote in its capacity as the sole manager of Biote, Holdings, the cash equivalent of the market value of one share of Class A common stock, pursuant to the terms and conditions of the Holdings A&R OA. Assuming the full exercise of the Exchange Rights by all of the Members (including with respect to the Member Earnout Units), the Members would have owned approximately 60.5% 51.6% of our Class A common stock, with one such member beneficially owning 23.3% 15.0% of our Class A common stock as of September 30, 2023 May 7, 2024. Except with respect to the Member Earnout Units, the Members are no longer restricted from selling the shares of Class A common stock held by them following their exercise of Members' Exchange Rights, other than by applicable securities laws.

In addition, the Sponsor is no longer restricted from transferring, selling, assigning or otherwise disposing of (a) its shares of Class A common stock (other than the Sponsor Earnout Shares, which may not be transferred, sold assigned or otherwise disposed of until the Sponsor Earnout Shares are earned) or (b) its Private Placement Warrants (as defined herein) (or the underlying shares of

Class A common stock) issued pursuant to that certain Private Placement Warrants Purchase Agreement, dated March 1, 2021, by and between the Company and the Sponsor.

Further we and each of our officers, directors and selling stockholders executed lock-up agreements in which they agreed not to offer, sell, agree to sell, directly or indirectly, or otherwise dispose of any shares of Class A common stock or any securities convertible into or exchangeable for shares of Class A common stock without the prior written consent of the underwriters for a period

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of 90 days after January 6, 2023, subject to customary exceptions. We do not, however, expect to receive lock-up agreements from any other stockholders, including Dr. Gary Donovitz, the Company's former owner, who beneficially held 23.3% 15.0% of shares of our common stock outstanding as of September 30, 2023 May 7, 2024.

As such, sales of a substantial number of shares of Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could cause the market price of our Class A common stock to decline or increase the volatility in the market price of our Class A common stock.

Risks Related to Ownership of Our Securities

Because there are no current plans to pay cash dividends on our Class A common stock for the foreseeable future, you may not receive any return on investment unless you sell our Class A common stock for a price greater than that which you paid for it.

We may retain future earnings, if any, for future operations, expansion and debt repayment and we have no current plans to pay any cash dividends for the foreseeable future. Any decision to declare and pay dividends as a public company in the future will be made at the discretion our Board and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our Board may deem relevant. In addition, our ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness we or our subsidiaries incur. As a result, you may not receive any return on an investment in our Class A common stock unless you sell your shares of Class A common stock for a price greater than that which you paid for it.

We may require additional capital to support business growth, and if capital is not available to us or is available only by diluting existing stockholders, our business, operating results and financial condition may suffer.

We require significant capital to continue to develop and grow our business, including with respect to the design, development, marketing, distribution and sale of the Biote Method and Biote-branded dietary supplements. We may need additional capital to pursue our business objectives and respond to business opportunities, challenges or unforeseen circumstances, and we cannot be certain that additional financing will be available, which could limit our ability to grow and jeopardize our ability to continue our business operations. We fund our capital needs primarily from available working capital; however, the timing of available working capital and capital funding needs may not always coincide, and the levels of working capital may not fully cover capital funding requirements. From time to time, we may need to supplement our working capital from operations with proceeds from financing activities. For instance, on July 27, 2022, we entered into a standby equity purchase agreement (the "SEPA") with YA II PN, LTD., a Cayman Islands exempt limited partnership ("Yorkville"), whereby we have the right, but not the obligation, to sell to Yorkville up to 5,000,000 shares of our Class A common stock at our request, subject to terms and conditions specified in the SEPA. We expect to continue to opportunistically seek access to additional funds by utilizing the SEPA.

To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may need to engage in equity or debt financings to secure additional funds. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new securities we issue could have rights, preferences and privileges superior to those of holders of our Class A common stock. The amount of dilution due to equity-based compensation of our employees and other additional issuances could be substantial. Additionally, any debt financing secured by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities.

Further, there can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. A severe or prolonged economic downturn could result in a variety of risks to our business, including weakened demand for any product candidates we may develop and our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption. If the equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly, and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could impair our ability to achieve our growth strategy, could harm our financial performance and stock price and could require us to delay or abandon our business plans. In addition, there is a risk that our current or future suppliers, service providers, manufacturers or other partners may not survive such difficult economic times, which could directly affect our ability to attain our operating goals on schedule and on budget. We cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business.

Anti-takeover provisions contained in the Charter and Bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Provisions in our Charter and Bylaws, as well as provisions under Delaware law, could make acquiring us more difficult, may limit attempts by stockholders to replace or remove our management, may limit stockholders' ability to obtain a favorable judicial forum for disputes with the us or our directors, officers, or employees, and may limit the market price of our Class A common stock. These provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities.

Future sales, or the perception of future sales, by the Company or its stockholders in the public market, the issuance of rights to purchase the Company's Class A common stock, including pursuant to the Incentive Plan and the ESPP, and future exercises of registration rights could result in the additional dilution of the percentage ownership of the Company's stockholders and cause the market price for the Company's Class A common stock to decline.

As of September 30, 2023 May 7, 2024, 74,346,919 62,036,479 shares (which includes 10,000,000 6,014,113 Earnout Voting Shares and 1,587,000 Sponsor Earnout Shares) of our common stock are outstanding, consisting of 35,527,853 30,320,599 shares of Class A common stock and 38,819,066 31,715,880 shares of Class V voting stock. Assuming the full exercise of the Exchange Rights by all of the Members (including with respect to the Member Earnout Units), and after giving effect to the secondary offering of shares of Class A common stock by certain stockholders pursuant to the registration statement on Form S-1, declared effective by the SEC on January 4, 2023, the Members would have owned approximately 60.5% 46.6% of our Class A common stock, with one such Member beneficially owning approximately 23.3% 15.0% of our Class A common stock, as of September 30, 2023 May 7, 2024. The Members are not restricted from selling the shares of Class A common stock held by them following their exercise of Members' Exchange Rights, other than by applicable securities laws.

In addition, we have registered up to 21,947,987 26,906,597 shares of Class A common stock that we may issue under the Incentive Plan and the ESPP. We have registered 5,000,000 shares of Class A common stock for resale related to the SEPA with Yorkville, including 130,559 shares of Class A common stock issued and outstanding as of September 30, 2023 May 7, 2024 and 4,869,441 shares of Class A common stock that may be issued pursuant to the SEPA in the future. Once we issue these shares, they can be freely sold in the public market upon issuance, subject to volume limitations applicable to Affiliates. As a result, there may be a large number of shares of Class A common stock sold in the market.

The sale of shares of the Company's Class A common stock, convertible securities or other securities in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of the Company's Class A common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for the Company to sell securities in the future at a time and at a price that it deems appropriate.

In addition, if the Company sells shares of its Class A common stock, convertible securities or other securities, investors may be materially diluted by subsequent sales. Such sales may also result in material dilution to the Company's existing stockholders, and new investors could gain rights, preferences, and privileges senior to the holders of the Company's Class A common stock, including the Company's Class A common stock issued in connection with the Business Combination.

Pursuant to the Incentive Plan, the Company is authorized to grant equity awards to its employees, directors and consultants. In addition, pursuant to the ESPP, the Company is authorized to sell shares to its employees. The Company initially reserved 15% of the shares of Class A common stock outstanding on a fully-diluted basis upon the Closing for future issuance under the Incentive Plan, plus 3,887,750 shares of Class A common stock necessary to satisfy payments to Phantom Equity Holders under the Phantom Equity Acknowledgments (such 3,887,750 shares of Class A common stock will not again become available for issuance under the Incentive Plan and will not be subject to the automatic annual increases described below). In addition, the Company initially reserved 1% of the shares of Class A common stock outstanding on a fully-diluted basis upon the Closing for future issuance under the ESPP. The Incentive Plan and ESPP provide for annual automatic increases in the number of shares reserved thereunder, beginning on January 1, 2023. As a result of such annual increases, the Company's stockholders may experience additional dilution, which could cause the price of the Company's Class A common stock to fall.

In the future, the Company may also issue its securities in connection with investments or acquisitions. The amount number of shares of the Company's Class A common stock issued in connection with an investment or acquisition could constitute a material portion of the Company's then-outstanding shares of Class A common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to the Company's stockholders.

We may be subject to periodic claims and litigation, including the Donovitz Litigation (as defined below), that could result in unexpected expenses and could ultimately be resolved against us.

From time to time, we may be involved in litigation and other proceedings, including matters related to product liability claims, stockholder class action and derivative claims, commercial disputes, copyright infringement, trademark challenges, and other intellectual property claims, as well as trade, regulatory, employment, and other claims related to our business. Any of these proceedings could result in significant settlement amounts, damages, fines, or other penalties, divert financial and management resources, and result in significant legal fees. An unfavorable outcome of any particular proceeding could exceed the limits of our insurance policies or the carriers may decline to fund such final settlements and/or judgments and could have an adverse impact on our

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business, financial condition, and results of operations. In addition, any proceeding could negatively impact our reputation among our practitioners and clinics and our brand image. The On April 23, 2024, the Company is currently involved entered into a settlement agreement resolving all outstanding litigation in connection with the Donovitz Litigation (See Part II, Item 3 1 Legal Proceedings). The outcome of the Donovitz Litigation, regardless of the merits, is inherently uncertain. At this point in time, the Company cannot predict the length of the Donovitz Litigation or the ultimate liability, if any, which may arise therefrom. In addition, litigation and related matters are costly and may divert the attention of the Company's management and other resources that would otherwise be engaged in other activities.

Risks Related to our Organizational Structure

Our only material asset is our ownership interest in Holdings, and accordingly we depend on distributions from Holdings to pay distributions, dividends on our Class A common stock, taxes and other expenses, and make any payments required to be made by us under the Tax Receivable Agreement (the "TRA").

We are a holding company and have no material assets other than our ownership of the Holdings Units. We are not expected to have independent means of generating revenue or cash flow, and our ability to pay distributions, dividends on our Class A common stock, taxes and other expenses, and make any payments required to be made by us under the TRA will be dependent upon the financial results and cash flows of Holdings. The earnings from, or other available assets of, Holdings may not be sufficient to pay dividends or make distributions or loans to enable us to pay any dividends on our Class A common stock or satisfy our other financial obligations. There can be no assurance that Holdings will generate sufficient cash flow to distribute funds to us or that applicable state law and contractual restrictions, including negative covenants under debt instruments, will permit such distributions. If Holdings does not distribute sufficient funds to us to pay our taxes or other liabilities, we may default on contractual obligations or have to borrow additional funds. In the event that we are required to borrow additional funds it could adversely affect our liquidity and subject us to additional restrictions imposed by lenders.

Holdings will continue to be treated as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, taxable income or loss will be allocated, for U.S. federal income tax purposes, to the holders of Holdings Units, including us. Accordingly, we will be required to pay U.S. federal income taxes on our allocable share of the net taxable income of Holdings. Under the terms of the Holdings A&R OA, Holdings is obligated to make tax distributions to holders of Holdings Units (including us) calculated at certain assumed rates. In addition to tax expenses, we also will incur expenses related to our operations, some of which expenses will be reimbursed by Holdings. We intend to cause Holdings to make ordinary distributions and tax distributions to the holders of Holdings Units on a pro rata basis in amounts sufficient to cover all applicable taxes, relevant operating expenses (to the extent not already payable or reimbursable by Holdings pursuant to the Holdings A&R OA), payments under the TRA and dividends, if any, declared by us. However, as discussed herein, Holdings' ability to make such distributions may be subject to various limitations and restrictions, including, but not limited to, retention of amounts necessary to satisfy the obligations of the Company and its subsidiaries (the "BioTE Companies") and restrictions on distributions that would violate any applicable restrictions contained in Holdings' debt agreements, or any applicable law, or that would have the effect of rendering Holdings insolvent. To the extent we are unable to make payments under the TRA for any reason, such payments will be deferred and will accrue interest until paid, provided, however, that nonpayment for a specified period and/or under certain circumstances may constitute a material breach of a material obligation under the TRA and therefore accelerate payments under the TRA, which could be substantial.

Additionally, although Holdings generally will not be subject to any entity-level U.S. federal income tax, it may be liable under certain U.S. federal income tax legislation for any adjustments to its tax return, absent an election to the contrary. In the event Holdings' calculations of taxable income are incorrect, Holdings and/or its Members, including us, in later years may be subject to material liabilities pursuant to this U.S. federal income tax legislation and its related guidance. We anticipate that the distributions we receive from Holdings may, in certain periods, exceed our actual liabilities and our obligations to make payments under the TRA. The Board, Our board of directors, in its sole discretion, will make any determination from time to time with respect to the use of any such excess cash so accumulated, which may include, among other uses, to pay paying dividends on our Class A common stock. We will have no obligation to distribute such cash (or other available cash other than any declared dividend) to our public stockholders. We may, if necessary, undertake ameliorative actions, which may include pro rata or non-pro rata reclassifications, combinations, subdivisions or adjustments of outstanding Holdings Units, to maintain one-for-one parity between Holdings Units held by us and shares of our Class A common stock.

Pursuant to the TRA, we will be required to pay to the Members 85% of the net income tax savings that we realize as a result of increases in tax basis of the BioTE Companies' assets resulting from the Business Combination and the redemptions of the Retained Holdings Units in exchange for shares of Class A common stock (or cash) pursuant to the Holdings A&R OA and tax benefits related to the TRA, including tax benefits attributable to payments under the TRA, and those payments may be substantial.

In connection with the Business Combination, the Selling a historic Member will be was deemed for U.S. federal (and applicable state and local) income tax purposes to have sold Holdings Units to the Company for the Cash Consideration and rights under the TRA (the "Purchase") and the Members may in the future have their Holdings Units (including the Earnout Units, if any, that have vested in accordance with the Business Combination Agreement), together with the cancelation of an equal number of shares of Class V voting stock, redeemed in exchange for shares of our Class A common stock (or cash) pursuant to the Holdings A&R OA, subject to certain

conditions and transfer restrictions as set forth therein and in the A&R IRA. These sales and exchanges are expected to result in increases in our allocable share of the tax basis of the tangible and intangible assets of the BioTE Companies. These increases in tax basis may increase (for income tax purposes) depreciation and amortization deductions allocable to us and therefore reduce the amount of income or franchise tax that we would otherwise be required to pay in the future had such sales and exchanges never occurred, although the IRS or any applicable foreign, state or local tax authority may challenge all or part of that tax basis increase, and a court could sustain such a challenge. We have entered into the TRA, which generally provides for the payment by us of 85% of certain net tax benefits, if any, that we realize (or in certain cases are deemed to realize) as a result of these increases in tax basis and tax benefits related to the transactions contemplated under the Business Combination Agreement and the redemption of Retained Holdings Units in exchange for Class A common stock (or cash) pursuant to the Holdings A&R OA and tax benefits attributable to payments under the TRA. These payments are our obligation and are not an obligation of the BioTE Companies. The actual increase in our allocable share of tax basis in the BioTE Companies' assets, as well as the amount and timing of any payments under the TRA, will vary depending upon a number of factors, including the timing of exchanges, the market price of the Class A common stock at the time of the exchange and the amount and timing of the recognition of our income. While many of the factors that will determine the amount of payments that we will make under the TRA are outside of our control, we expect that the payments we will make under the TRA will be substantial and could have a material adverse effect on our financial condition. Any payments we make under the TRA generally will reduce the amount of overall cash flow that might have otherwise been available to us. To the extent that we are unable to make timely payments under the TRA for any reason, the unpaid amounts will be deferred and will accrue interest until paid; however, nonpayment for a specified period and/or under certain circumstances may constitute a material breach of a material obligation under the TRA and therefore accelerate payments due under the TRA, as further described below. Furthermore, our future obligation to make payments under the TRA could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that may be deemed realized under the TRA.

In certain cases, payments under the TRA may exceed the actual tax benefits we realize.

Payments under the TRA will be based on the tax reporting positions that we determine, and the U.S. Internal Revenue Service (the "IRS") or another taxing authority may challenge all or any part of the tax basis increases, as well as other tax positions that we take, and a court may sustain such a challenge. In the event that any tax benefits initially claimed by us are disallowed, the Members will not be required to reimburse us for any excess payments that may previously have been made previously under the TRA, for example, due to adjustments resulting from examinations by the IRS or other taxing authorities. Rather, excess payments made to Members will be applied against and reduce any future cash payments otherwise required to be made to such Members, if any, after the determination of such excess. However, a challenge to any tax benefits initially claimed by us may not arise for a number of years following the initial time of such payment and, even if challenged earlier, such excess cash payment may be greater than the amount of future cash payments that we might otherwise be required to make under the terms of the TRA and, as a result, there might not be future cash payments against which such excess can be applied. As a result, in certain circumstances we could make payments under the TRA in excess of our actual income or franchise tax savings, which could materially impair our financial condition.

In certain cases, payments under the TRA may be accelerated or significantly exceed the actual benefits we realize in respect of the tax attributes subject to the TRA.

The TRA provides that, in the event that (i) we exercise our early termination rights under the TRA, (ii) certain changes of control occur (as described in the TRA), (iii) we, in certain circumstances, fail to make a payment required to be made pursuant to the TRA by the applicable final payment date, which non-payment continues for 30 days following such final payment date or (iv) we materially breach any of our material obligations under the TRA, which breach continues without cure for 30 days following receipt by us of written notice thereof (unless, in the case of clauses (iii) and (iv), certain liquidity exceptions apply) our obligations under the TRA will accelerate and we will be required to make a lump-sum cash payment to the applicable parties to the TRA equal to the present value of all forecasted future payments that would have otherwise been made under the TRA, which lump-sum payment would be based on certain assumptions, including those relating to our future taxable income. The change of control payment to the Members could be substantial and could exceed the actual tax benefits that we receive as a result of acquiring Holdings Units from the Members because the amounts of such payments would be calculated assuming that we would have been be able to use the potential tax benefits each year for the remainder of the amortization periods applicable to the basis increases, and that tax rates applicable to us would be the same as they were in the year of the termination. Decisions made in the course of running our business, such as with respect to mergers, asset sales, other forms of business combinations or other changes in control, may influence the timing and amount of payments that are received by the holders of Retained Holdings Units under the TRA. For example, the earlier disposition of assets following an exchange or acquisition transaction will generally accelerate payments under the TRA and increase the present value of such payments, and the disposition of assets before an exchange or acquisition transaction will increase an existing owner's tax liability without giving rise to any rights of holders of Retained Holdings Units to receive payments under the TRA. There may be a material negative effect on our liquidity if the payments under the TRA exceed the actual income or franchise tax savings that we realize in respect of the tax attributes subject to the TRA or if distributions to us by Holdings are not sufficient to permit us to make payments under the TRA after we have paid taxes and other expenses. Furthermore, our obligations to make payments under the TRA could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that are deemed realized under the TRA. We may need to incur additional indebtedness to finance payments under the TRA to

the extent our cash resources are insufficient to meet our obligations under the TRA as a result of timing discrepancies or otherwise which may have a material adverse effect on our financial condition.

We may not be able to realize all or a portion of the tax benefits that are expected to result from the acquisition of Retained Holdings Units from Biote Members.

Pursuant to the TRA, we will share tax savings resulting from (A) the amortization of the anticipated step-up in tax basis in the BioTE Companies' assets as a result of (i) the Purchase deemed sale of Holdings Units in connection with the Business Combination and (ii) the redemption of Retained Holdings Units in exchange for shares of Class A common stock or cash pursuant to the Holdings A&R OA

and (B) certain other related transactions with the Members. The amount of any such tax savings attributable to the Purchase and future exchanges will be paid 85% to the applicable Members and retained 15% by us. Any such amounts payable will only be due once the relevant tax savings have been realized by us, unless our obligations under the TRA are accelerated. Our ability to realize, and benefit from, these tax savings depends depend on a number of assumptions, including that we will earn sufficient taxable income each year during the period over which the deductions arising from any such basis increases and payments are available and that there are no adverse changes in applicable law or regulations. If our actual taxable income were insufficient to fully utilize such tax benefits or there were adverse changes in applicable law or regulations, we may be unable to realize all or a portion of these expected benefits and our cash flows and stockholders' equity could be negatively affected.

Risks Related to Taxes

Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, gross receipts, value added or similar taxes and may successfully impose additional obligations on us, and any such assessments or obligations could adversely affect our business, financial condition and results of operations.

The application of indirect taxes, such as sales and use tax, value-added tax, goods and services tax, business tax and gross receipts tax, to platform businesses is a complex and evolving issue. Many of the fundamental statutes and regulations that impose these taxes were established before the adoption and growth of the Internet and e-commerce. Significant judgment is required on an ongoing basis to evaluate applicable tax obligations and, as a result, amounts recorded are estimates and are subject to adjustments. In many cases, the ultimate tax determination is uncertain because it is not clear how new and existing statutes might apply to our business.

We may face various indirect tax audits in various U.S. jurisdictions. In certain jurisdictions, we collect and remit indirect taxes. However, tax authorities may raise questions about or challenge or disagree with our calculation, reporting or collection of taxes and may require us to collect taxes in jurisdictions in which we do not currently do so or to remit additional taxes and interest, and could impose associated penalties and fees. For example, after the U.S. Supreme Court decision in South Dakota v. Wayfair Inc., certain states have adopted, or started to enforce, laws that may require the calculation, collection and remittance of taxes on sales in their jurisdictions, even if we do not have a physical presence in such jurisdictions. A successful assertion by one or more tax authorities requiring us to collect taxes in jurisdictions in which we do not currently do so or to collect additional taxes in a jurisdiction in which we currently collect taxes, could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest, could harm our business, financial condition and results of operations. Although we have reserved for potential payments of possible past tax liabilities in our financial statements, if these liabilities exceed such reserves, our financial condition will be harmed.

As a result of these and other factors, the ultimate amount of tax obligations owed may differ from the amounts recorded in our financial statements and any such difference may adversely impact our results of operations in future periods in which we change our estimates of our tax obligations or in which the ultimate tax outcome is determined.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our financial condition and results of operations.

We are subject to income taxes in the United States, and our domestic tax liabilities are subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- tax effects of stock-based compensation;
- costs related to intercompany restructurings;
- changes in tax laws, regulations or interpretations thereof; and
- lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates.

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In addition, we may be subject to audits of our income, sales and other transaction taxes by U.S. federal and state authorities. Outcomes from these audits could adversely affect our financial condition and results of operations.

Increases in our income tax rates, changes in income tax laws or disagreements with tax authorities may adversely affect our business, financial condition or results of operations.

Increases in our income tax rates or other changes in income tax laws in the United States or any jurisdiction in which we operate could reduce our after-tax income and adversely affect our business, financial condition or results of operations. Existing tax laws in the United States have been, and in the future could be, subject to significant change. For example, the Inflation Reduction Act of 2022 was recently enacted, which includes a one percent excise tax on share buybacks imposed on the corporation repurchasing such stock,

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effective for tax years beginning after 2022. Also, effective for tax years beginning after December 31, 2021, legislation commonly referred to as the Tax Cuts and Jobs Act eliminated the option to currently deduct research and development expenditures and requires taxpayers to capitalize and amortize U.S.-based and non-U.S.-based research and development expenditures over five and fifteen years, respectively. Although there has been proposed legislation that would defer the capitalization requirement to later years, we have no assurance that the provision will be repealed or otherwise modified. Future regulatory guidance from taxing authorities or other executive or Congressional actions in the United States or other jurisdictions may be forthcoming. These or other changes in the relevant tax regimes, including changes in how existing tax laws are interpreted or enforced, may adversely affect our business, financial condition or results of operations.

We also will be subject to regular reviews, examinations and audits by the IRS and other taxing authorities with respect to income and non-income-based taxes. Economic and political pressures to increase tax revenues in jurisdictions in which we operate, or the adoption of new or reformed tax legislation or regulation, may make resolving tax disputes more difficult and the final resolution of tax audits and any related litigation can differ from our historical provisions and accruals, resulting in an adverse impact on our business, financial condition or results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds, and Issuer Purchases of Equity Securities. Proceeds.

None. On January 24, 2024, the Company's Board of Directors approved a share repurchase program authorizing the repurchase of up to $20.0 million its outstanding Class A common stock.

The program grants management the authority to repurchase the Company's Class A common stock in the open market, in privately negotiated transactions or by other means in accordance with applicable state and federal securities laws. The timing of any repurchases under the share repurchase program is at the discretion of management and depends on a variety of factors, including market conditions, contractual limitations and other considerations. The share repurchase program may be expanded, modified, suspended or discontinued at any time, and does not obligate the Company to repurchase any dollar amount or number of shares.

During the three months ended March 31, 2024, the Company purchased 740,921 shares of its Class A common stock, par value $0.0001 per share. As of March 31, 2024, $15.9 million remained available for additional share repurchases. The following table summarizes the purchases of the Company's Class A common stock for the three months ended March 31, 2024:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
January 1, 2024 - January 31, 2024	—	—	—	$ 20,000,000
February 1, 2024 - February 29, 2024	324,256	$ 4.95	324,256	$ 18,378,147
March 1, 2024 - March 31, 2024	416,665	5.94	416,665	$ 15,911,586
Total	740,921	$ 5.41	740,921	

On March 28, 2024, the Company issued 291,829 shares of the Company's Class A common stock to Simpatra in connection with its acquisition of assets from Simpatra.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not applicable. None.

Item 6. Exhibits.

Exhibit Number	Description
2.1†	Business Combination Agreement, dated as of December 13, 2021, by and among the Company, Haymaker Sponsor III LLC, Dr. Gary Donovitz, in his capacity, and Teresa S. Weber, in her capacity as the Members' Representative (Incorporated by reference to Exhibit 2.1 of Haymaker Acquisition Corp. III's Current Report on Form 8-K (File No. 001-40128) filed with the SEC on December 14, 2021).
3.1	Second Amended and Restated Certificate of Incorporation of biote Corp. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-40128) filed with the SEC on June 2, 2022).
3.2	Amended and Restated Bylaws of biote Corp. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-40128) filed with the SEC on February 22, 2023).
10.1*†+	Settlement Agreement between the Company and Dr. Gary S. Donovitz, dated April 23, 2024.
10.3#	Employment Agreement, effective January 8, 2024, by and between BioTE Medical, LLC and Robert C. Peterson (Incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K (File No. 001-40128) filed with the SEC on March 15, 2024).
10.4#	Transition Agreement, effective January 11, 2024, by and between BioTe Medical, LLC and Samar Kamdar (Incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K (File No. 001-40128) filed with the SEC on March 15, 2024).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2**	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

** Furnished herewith and not deemed to be "filed" for purposes of Section 18 of the Exchange Act and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act (whether made before or after the date of this Quarterly Report on Form 10-Q), irrespective of any general incorporation language contained in such filing.

† Certain schedules and exhibits to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.

+ Pursuant to Item 601(b)(10)(iv) of Regulation S-K, portions of this exhibit have been omitted pursuant to Regulation S-K Item (601)(b)(10). as the registrant has determined that the omitted information is (i) not material and (ii) the type of information that the registrant customarily and actually treats as private or confidential.

74 # Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BIOTE CORP.

Date: November 13, 2023 May 10, 2024

By: /s/ Samar J. Kamdar Robert C. Peterson

Name: Samar J. Kamdar Robert C. Peterson

Title: Chief Financial Officer (*Principal Financial Officer and Authorized Principal Accounting Officer*)

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[*****] Text omitted for confidential treatment. The redacted information has been excluded because it is (i) not material and (ii) the type of information that the registrant customarily and actually treats as private or confidential.

EXHIBIT 10.1

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and among biote Corp. ("Biote"), BioTE Medical, LLC ("Medical"), BioTE Holdings, LLC ("Holdings," and together with Biote and Medical, the "Biote Entities"), Mary Elizabeth Conlon ("Conlon"), Marc D. Beer ("Beer"), Teresa S. Weber ("Weber"), Dana Jacoby ("Jacoby"), Mark Cone ("Cone"), Dr. Gary S. Donovitz ("Donovitz"), the Gary S. Donovitz 2012 Irrevocable Trust ("Trust"), BioTE Management, LLC ("Management," and together with Donovitz and the Trust, the "Donovitz Entities"), Cooley LLP ("Cooley"), Andrew Heyer, Steven J. Heyer, and Haymaker Sponsor III LLC ("Haymaker") (each a "Party" and together the "Parties"). This Agreement shall become effective upon execution by all the Parties ("Effective Date").

WHEREAS, Medical and Donovitz entered into a Founder Advisory Agreement, effective as of May 26, 2022 ("FAA");

WHEREAS, on June 23, 2022, Donovitz began litigation in the District Court of Dallas County, Texas, styled *Donovitz v. Cooley LLP, et. al.*, DC-22-06493 ("Donovitz Texas Action");

WHEREAS, on July 11, 2022, Biote began litigation in the Delaware Court of Chancery, styled *biote Corp. v. Dr. Gary S. Donovitz*, C.A. No. 2022-0611-JTL ("Biote Delaware Litigation");

WHEREAS, on August 2, 2022, Medical began litigation in the District Court of Dallas County, Texas, styled *BioTE Med., LLC v. Dr. Gary S. Donovitz and Lani Hammonds Donovitz*, DC-22-08737 ("Medical Texas Litigation");

WHEREAS, on August 24, 2022, Donovitz began litigation in the Court of Chancery styled *Dr. Gary S. Donovitz v. biote Corp., et al.*, C.A. No. 2022-0749-JTL ("Donovitz Delaware Litigation");

WHEREAS, on November 16, 2023, the Trust and Management began litigation in the Court of Chancery, styled *Dr. Gary S. Donovitz, as Trustee for the Gary S. Donovitz 2012 Irrevocable Trust, and Biote Mgmt., LLC, v. BioTE Holdings, LLC and BioTE Med., LLC*, C.A. No. 2023-1163-SEM ("Delaware Books and Records Litigation," and together with the Donovitz Texas Action, Biote Delaware Litigation, Medical Texas Litigation, and Donovitz Delaware Litigation, the "Lawsuits");

WHEREAS, on November 21, 2023, the District Court of Dallas County, Texas, rendered a final judgment in the Medical Texas Litigation, attached as Exhibit A ("Final Judgment");

WHEREAS, on February 13, 2024, the Parties held a mediation before Chancellor William B. Chandler III and reached a global resolution of the Lawsuits;

WHEREAS, this Agreement shall be and remains in effect despite the discovery or existence of any new or additional fact, or any fact different from that which any Party now knows or believes to be true;

WHEREAS, by entering into this Agreement, signing it, and accepting the consideration provided herein and the benefits of it, the Parties acknowledge and agree that they are giving up forever any right to seek further monetary or other relief from any other Party and any other Party's affiliated persons and entities as broadly described in the release section of this Agreement.

NOW, THEREFORE, in consideration of the below mutual promises and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. **Definitions**.

A. "Affiliate(s)" means a past or present accountant, administrator, advisor, agent, assign, attorney, banker, broker, consultant, dealer, director, employee, estate, executor, heir, joint venture or venturer, limited liability company, manager, member, officer, partner, partnership, predecessor, principal, representative, stockholder, successor, trustee, or underwriter.

B. “Claims” means all claims, demands, actions or causes of action, suits, rights, duties, agreements, obligations, liabilities, losses, damages, judgments, decrees, fees, attorneys’ fees, expenses, costs, debts, interest, penalties, sanctions, matters, issues and controversies of any kind or nature, whether known or unknown, accrued or unaccrued, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, alleged or unalleged, foreseen or unforeseen, actual or potential, material or immaterial, including any arising out of any oral or written agreement that predates the Effective Date, including without limitation all oral and written agreements made a part of or arising out of the SPAC merger that closed on May 26, 2022, pursuant to a Business Combination Agreement (the “BCA”) executed on or about December 13, 2021 (collectively, the “SPAC Transaction”), including the FAA, and also including but not limited to those which have been, could have been, or in the future can or might be asserted in any court, tribunal, arbitration or other proceeding (including but not limited to any arising under federal, state or foreign statutory or common law relating to fraud, breach of any duty, breach of contract, negligence, securities laws or regulations, intellectual property or trade secret laws or regulations), whether individual, class, derivative, representative, legal, equitable or any other type or in any other capacity, whether for actual damages, exemplary damages or interest (prejudgment or post-judgment) on such damages, whether for advancement, indemnity or contribution, and whether for any warrants, options or earn-out shares, which have arisen or could have arisen, or now or hereafter may arise out of or relate in any way, directly or indirectly, to any facts, events, transactions, matters, acts, occurrences, omissions, statements, representations, misrepresentations, or any other matter or thing of any kind or nature, or any series of them, in existence from the beginning of time to the Effective Date, including but not limited to any relating to the FAA, institution, prosecution, settlement, judgment or dismissal of the Lawsuits and claims relating to any shares/units described in Section 2 of the Agreement; **provided however** that “Claims” do not include: (1) the Parties’ rights or obligations under this Agreement; (2) the Parties’ rights or obligations under confidentiality orders in the Lawsuits; or (3) the Parties’ rights or obligations under the Final Judgment (other than the monetary awards), including any past, present or future violation of the injunctive relief in the Final Judgment.

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C. “Closing” means the third business day after the Effective Date.

D. “including” is not exclusive and means “including without limitation.”

E. “Released Claims” means the Claims released under this Agreement.

F. “Person” means a natural person, individual, corporation, limited liability corporation, professional corporation, limited liability partnership, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency of it, and any other business or legal entity.

2. **<u>Payment</u>**.

A. Biote will pay a total sum of seventy-six million eight-hundred sixty-five thousand eighty-eight dollars and seventy-five cents ($76,865,088.75) (the “Settlement Sum”) to purchase all of the Holdings Class A common units (“Holdings Units”), shares of Biote Class V common stock (“Class V Shares,” and together with the Holdings Units, “Paired Interests”) and shares of Biote Class A common stock (“Class A Shares”) currently beneficially owned by the Donovitz Entities over the following three-year schedule:

B. At Closing, Biote will buy all Class A Shares currently owned by the Donovitz Entities (approximately 5.1 million), and a sufficient number of Paired Interests from the Donovitz Entities (approximately 3.1 million) to equal 8,192,389 shares/units for a cash payment of $32,162,261.67;

i. On or before the 12-month anniversary of the Closing, Biote will buy 4,096,195 Paired Interests from the Donovitz Entities for a cash payment of $15,081,130.83;

ii. On or before the 24-month anniversary of the Closing, Biote will buy 4,096,195 Paired Interests from the Donovitz Entities for a cash payment of $19,081,130.83; and

iii. On or before the 36-month anniversary of the Closing, Biote will buy 2,048,096 Paired Interests from the Donovitz Entities for a cash payment of $10,540,565.42.

C. The above Biote payments will be made to the Trust, on behalf of all the Donovitz Entities, by wire transfer to the following:

Bank: [*****]

Address: [*****]

ABA Routing #: [*****]

Beneficiary: [*****]

Credit Account #: [*****]

D. Promptly (and in any event within five business days) after receipt of each respective payment in Section 2.B.i.-iii., the Donovitz Entities will either (i) deliver to Biote the certificate(s), if any, representing the Holdings Units, Class A Shares, and Class V Shares beneficially owned by the Donovitz Entities purchased thereby, together with any other necessary instruments of transfer (including a duly executed stock power); or (ii) initiate with the appropriate transfer agent the transfer of the Holdings Units, Class A Shares, and Class V Shares beneficially owned by the Donovitz Entities purchased thereby, together with any other necessary instruments of transfer (including a duly executed stock power). Biote and Holdings may update their books and records to reflect these transfers upon delivery of payment, without any further action by the Donovitz Entities.

E. At Closing, the Donovitz Entities will deliver executed copies of the Voting Agreement attached as Exhibit B.

3. **FAA termination**.

A. Donovitz terminates the FAA effective as of the Closing, under FAA Exhibit A paragraph 5(d). Medical waives any required prior written notice of that termination, and agrees the termination was effective on that date. At Closing, the Biote Entities will pay all outstanding amounts due and owing to Donovitz under the FAA that are due and owing as of the Closing.

B. Donovitz will provide to Biote the Microsoft Windows Surface tablet issued to Donovitz (identified by Microsoft Device Identity Certificate [*****]) by the Biote Entities on or before the Closing. The Biote Entities will remove all Biote software and controls, including any device tracking and monitoring capabilities, and FAA Confidential Information (as defined herein), from the Windows Surface tablet. The Biote Entities shall provide notice of such removal to Donovitz pursuant to the notice provision herein and shall return the Windows Surface tablet within fourteen (14) days of the Closing.

C. Donovitz will not retain any Confidential Information (as defined in the FAA) (“FAA Confidential Information”) in his possession, custody or control. Donovitz shall within seven (7) days after the Effective Date use commercially reasonable efforts to destroy (or, in the case of electronic embodiments, permanently erase; provided, that destruction of FAA Confidential Information is deemed to have occurred with respect to electronic files if such files are deleted from inboxes and hard-drives) all tangible material embodying FAA Confidential Information (in any form and including, without limitation, all summaries, copies and excerpts of FAA Confidential Information) in his possession, custody or control. Donovitz’s commercially reasonable efforts to comply with the foregoing sentence shall not require the destruction of FAA Confidential Information that (i) is stored on backup storage media made in accordance with regular data backup procedures for disaster recovery purposes; (ii) is subject to legal hold obligations; or (iii) is required to be retained for legal, regulatory or internal recordkeeping purposes; it being agreed between the Parties that any such retained information shall continue to be treated as FAA Confidential Information in accordance with the FAA terms, notwithstanding the termination of the FAA pursuant to Section 3.A. hereof.

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4. **<u>Noncompete and Nonsolicitation</u>**.

A. Until two years after the Effective Date, Donovitz will not, directly or indirectly, engage in any business competitive with any of the Biote Entities or become associated with or render services in connection therewith to any Person so engaged that competes with the business of any of the Biote Entities in the geographic areas that the Biote Entities are doing business in at any time during such time period. This covenant not-to-compete will specifically exclude Donovitz’s engagement, participation or association with the operations, management or business of Pellets4Pups, LLC. Donovitz acknowledges that this covenant not-to-compete is necessary to protect the goodwill or other business interest of the Biote Entities.

B. Until two years after the Effective Date, Donovitz will not, directly or indirectly: (i) advise or encourage any employee, agent, consultant, independent contractor, representative or customer of, or vendor or supplier to, or joint venture or other business partner of, any of the Biote Entities or any Affiliate thereof to terminate his, her, or its relationship with any of the Biote Entities or any Affiliate of them or to reduce the amount of business customarily done with any of the Biote Entities or any Affiliate of them, (ii) solicit or attempt to solicit any customer of any of the Biote Entities or any Affiliate thereof to become a customer of any other Person competitive with any of the Biote Entities; or (iii) solicit or attempt to solicit or participate in the solicitation of or employ or otherwise engage any employee, agent, consultant, independent contractor or representative of any of the Biote Entities or any Affiliate of them, or otherwise advise or encourage any such person to become an employee, agent, representative, consultant, independent contractor or representative of or to any other Person.

5. **Dismissal of Lawsuits, Appeals [*****]**.

A. On or before five (5) business days after the Effective Date, the Parties will file stipulations dismissing the Biote Delaware Litigation, the Donovitz Delaware Litigation, and the Delaware Books and Records Litigation, with prejudice and without fees or costs.

B. At Closing, Donovitz will deliver executed copies of the documents attached as Exhibit C, and will then take all steps necessary to withdraw any appeal of the Final Judgment. The Donovitz Entities will not pursue any future appeal of the Final Judgment.

C. At Closing, Donovitz will deliver executed copies of the documents attached as Exhibit D, [*****].

6. ***[*****]* Books**.

A. Within thirty (30) days of the Effective Date, Biote will provide the approximately 15,000 printed copies of the book, [*****], being stored at the printer's warehouse in Dallas. Biote will provide such printed copies of [*****] via shipping or courier service, at its own cost, to: Dr. Gary S. Donovitz, [*****].

7. **COBRA**.

A. The Biote Entities will provide coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") to Donovitz and one dependent of his choosing for eighteen (18) months after the Effective Date.

8. **Mutual General Releases And Covenants Not To Sue**.

A. The Donovitz Entities, on behalf of themselves and each of their Affiliates (other than the Biote Released Parties, defined below), hereby completely, fully, finally and forever compromise, waive, settle, release, satisfy, discharge, extinguish, relinquish and dismiss with prejudice and without costs, all Claims against the Biote Entities, Conlon, Beer, Weber, Jacoby, Cone, Cooley, Andrew Heyer, Steven J. Heyer, Haymaker (collectively, the "Biote Released Parties") and each of their Affiliates.

B. The Biote Released Parties and each of their Affiliates (other than the Donovitz Entities), hereby completely, fully, finally and forever compromise, waive, settle, release, satisfy, discharge, extinguish, relinquish and dismiss with prejudice and without costs, all Claims against the Donovitz Entities and each of their Affiliates (other than the Biote Released Parties), including the monetary award in the Final Judgment.

C. The Released Claims extend to Claims that any Person granting such release (a "Releasing Person") does not know or suspect to exist at the time of such release, which, if known, might have affected the Releasing Person's decision to enter into such release. The Releasing Person will be deemed to relinquish, to the extent applicable, and to the fullest extent permitted by law, the provisions, rights and benefits of: (i) Section 1542 of the California Civil Code;[1] and (ii) any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Section 1542 of the California Civil Code.

D. The Donovitz Entities, on behalf of themselves and their Affiliates (other than the Biote Released Parties), covenant not to directly, indirectly or derivatively sue, or otherwise participate in any action, suit or other proceeding about the Released Claims against any of the Biote Released Parties or their Affiliates.

E. The Biote Released Parties and each of their Affiliates (other than the Donovitz Entities) covenant not to directly, indirectly or derivatively sue, or otherwise participate in any action, suit or other proceeding about the Released Claims against any of the Donovitz Entities or their Affiliates.

[1]Section 1542 of the California Civil Code provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER

FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

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9. **No Assignment of Claims**. Each of the Parties represents and warrants that no Claims have been assigned or transferred to any other individual or entity that is not a Party, including by way of subrogation, contract, operation of law or otherwise.

10. **Alterations, Amendment or Modification**. This Agreement is irrevocable and may not be rescinded. In addition, this Agreement may not be altered, amended, modified, or changed, except by a writing duly executed by all of the Parties that refers specifically to this Agreement; nothing else including but not limited to detrimental reliance, estoppel, oral representations or any promises will modify, amend, or alter this Agreement. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to modify this Agreement, this provision or any other part of this Agreement.

11. **Authorization**. The representative of a Party signing this Agreement on behalf of a Party represents and warrants that such representative has full power, capacity and authority to execute this Agreement on behalf of the Party so indicated. The representative of a Party signing this Agreement on behalf of a Party represents and warrants that such representative has read the terms of this Agreement and had the opportunity to have the terms used herein and consequences of them explained by such Party's attorney before signing.

12. **Confidentiality**.

A. The Parties agree that this Agreement and its terms, including the exhibits and all agreements, documents or other instruments delivered pursuant hereto or in connection with it, and all the transactions contemplated hereby and thereby ("Confidential Information"), will be maintained in strict confidence, and that they and their counsel, representatives, management companies, agents or anyone acting, directly or indirectly, on their behalf, will not disclose, discuss or communicate the Confidential Information in any way whatsoever to any person or entity that is not a Party, except:

i. To their legal counsel, tax or financial advisors, spouse, representatives, agents, partners in partnership, officers, directors, members, managers and employees who have a bona fide need to know such Confidential Information and who have been advised of the confidentiality obligations with respect to such Confidential Information;

ii. If a Party seeks to enforce the terms of this Agreement, such Party may disclose the terms of this Agreement to the Court, but will take all available steps, including seeking leave of the Court to file under seal, to protect the Confidential Information;

iii. To the extent permitted by this Agreement;

iv. To the extent necessary to comply with securities laws and regulations; and

v. To the extent required by applicable law, regulation or court order, subject to, and after complying with, the prior written notice requirement set forth below.

B. The Parties agree that in the event any Party is served with a subpoena or other legal process, demand or order (collectively, “Order”) that requires or compels the production of any Confidential Information, the Party may comply with such Order without being in violation of this Agreement as long as the Party gives advance written notice to the other Parties within five (5) business days of receipt of such Order, and allows the other Parties fifteen (15) calendar days (or a shorter time if required by the Order) from such advance written notice to challenge or object to the Order requiring or compelling such production or disclosure. If the Party has provided the required advance written notice required in this Section in connection with an Order and later another Party fails to take action or obtain relief within the above-described period, the Party will have no liability for any Confidential Information disclosed. Notwithstanding the above, the Parties agree that any Party or its counsel may disclose to non-parties the fact that the Lawsuits have been resolved in a manner that is confidential.

C. The Parties agree that any information that is or properly becomes part of the public record in a manner not violating this Agreement, as of or after the Effective Date, including information already disclosed as part of Biote's securities filings, is not Confidential Information.

13.**Construction and Severability**. This Agreement has been jointly negotiated and drafted and will be construed as a whole according to its fair meaning and not strictly for or against any Party. If any word, phrase, clause, term, sentence or other provision of this Agreement is declared or determined by any court or arbitrator to be invalid or unenforceable, in whole or in part, such provision or part of such provision will be deemed omitted to that extent and will be replaced by a valid and enforceable provision which so far as possible achieves the same objectives as the severed provision was intended to achieve and, in any event, the remaining provisions of this Agreement will not be affected and will remain valid and fully enforceable.

14.**Voluntary Agreement**. The Parties, through and by their signatures below, represent that they have read this Agreement and fully understand all its terms; that they have conferred with an attorney before signing their name; and that they understand any rights that they may have and sign this Agreement with full knowledge of any such rights.

15.**No Admission of Liability**. The Parties acknowledge that each of them, by agreeing to this Agreement, admit no liability of any sort, have made no representations about liability and have made no agreement or promise to do or omit to do any act or thing not set forth in this Agreement. The Parties also acknowledge that this Agreement is made as a compromise of disputed claims to avoid expense and to terminate all claims of any nature, known or unknown.

16.**Execution in Counterparts and Signatures**. This Agreement may be executed in one or more counterparts, each of which will be considered an original and each of which, taken together, will constitute the same instrument. Signatures may be transmitted by facsimile or electronic mail and such signatures will be acceptable as original signatures for all purposes.

17.**Headings**. The headings in this Agreement are for convenience of reference only and will not limit or otherwise affect the meaning of terms included in this Agreement.

18.**Dispute Resolution**. The Parties agree that William B. Chandler III will retain exclusive jurisdiction over all controversies, disputes or claims arising from or relating to this Agreement, or breach of it. If the Parties cannot resolve a dispute over language contained in the Agreement, or the Parties' obligations created or affirmed by this Agreement, the Parties will submit the dispute to William B. Chandler III for a final and non-appealable decision. If William B. Chandler III is unavailable due to incapacity or death to resolve such disputes, the Parties agree that any and all controversies, disputes or claims arising from or relating to this Agreement, or breach of it, shall be brought exclusively in the Court of Chancery of the State of Delaware or, if the Court of Chancery does not have subject matter jurisdiction over the matter, the Superior Court of the State of Delaware's Complex Commercial Litigation Division ("CCLD") or, if jurisdiction over the matter is vested exclusively in the federal courts, the United States District Court of the District of Delaware, and each of the Parties hereby irrevocably consents to the jurisdiction of such court (and of the appropriate appellate courts from it) in any such action and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such action in any such court or that any such action which is brought in such court has been brought in an inconvenient forum. Process in any such action may be served by mail or similar means on any Party anywhere in the world, whether within or without the jurisdiction of such court.

19.**Choice of Law and Attorney's Fees**. This Agreement will be governed by, construed and enforced in accordance with the internal, substantive law, of the State of Delaware, regardless of its conflicts of law principles. In any action, suit or other proceeding to enforce any right or remedy under this Agreement or to interpret any provision of this Agreement, the prevailing Party(ies) will be entitled to recover its costs, including reasonable attorneys' fees.

20.**Waiver of Jury Trial**. EACH OF THE PARTIES WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION ARISING FROM OR RELATING TO THIS AGREEMENT, OR ANY BREACH OF IT. EACH OF THE PARTIES HEREBY: (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE ABOVE WAIVER; AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS PARAGRAPH.

21.**Specific Performance**. Each of the Parties acknowledges and agrees that the other Parties would be damaged irreparably if any provision in this Agreement is not performed in accordance with its specific terms or otherwise is breached or violated. Accordingly, each of the Parties agrees that, without posting bond or other undertaking, the other Parties will be entitled to an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to enforce specifically this Agreement and any terms in it, and to any other remedies provided by law or equity, including without limitation an award for damages. Each Party also agrees that, in the event of any action for specific performance for such breach or violation of this Agreement, it will not assert as a defense that a remedy at law would be adequate.

22.**Entire Agreement**. This Agreement (including its exhibits) constitutes the entire agreement by and among the Parties, and it supersedes all other agreements, understandings, negotiations or discussions, either oral or in writing, express or implied, about the subject matters of this Agreement.

23.**No Reliance**. This Agreement has in all respects been voluntarily and knowingly executed by the Parties, after receiving advice from their legal counsel. The Parties acknowledge and agree that in making this Agreement, each of them has relied only on such Party's own judgment, beliefs and interest, after receiving advice from such Party's legal counsel. The Parties also acknowledge and agree that they have each made such investigation of the facts relating to the settlement provided for in this Agreement, and of all matters pertaining to it, that such Party considers necessary. Each Party declares and represents that it has not relied on any statement, representation, warranty, promise or assurance, expressed or implied, not expressly set forth in this Agreement. The Biote Entities have made no representations about the past, present or future value of Biote stock or Holdings Units. The Donovitz Entities understand that the value of Biote stock and Holdings Units may rise after the Effective Date; nevertheless, the Donovitz Entities will receive cash payments in the exact amounts detailed in Section 2 of this Agreement regardless of the current or trailing price of Biote stock or value of Holdings Units at the time of any transfers of shares/units detailed in Section 2 of this Agreement. Each Party waives and releases all rights and remedies which might otherwise be available to such Party for any such other oral or written representation, warranty, promise or assurance made before execution of this Agreement.

24.**No Waivers**. No course of dealing between or among any of the Parties will be considered to affect, modify, amend or discharge any provision or term of this Agreement. No delay in the exercise of any right or remedy under this Agreement will waive (a) such right or remedy; or (b) any other term in this Agreement. No waiver will be considered effective unless signed by the Party against whom such waiver is sought to be enforced. The failure of a Party to insist on strict adherence to any term of this Agreement on any occasion will not be considered a waiver of it or deprive that Party of the right afterward to insist on strict adherence to that, or any other, term of this Agreement. Time is of the essence.

25.**Benefits to the Parties**. This Agreement will be binding on and will inure to the benefit of the Parties and their Affiliates.

26.**Disclaimer of Third-Party Beneficiaries**. Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to, or will be construed to, give any non-Party any rights or remedies under or relating to this Agreement.

27.**Cooperation**. In addition to the actions specifically provided for in this Agreement, the Parties will use their reasonable best efforts from and after the Effective Date to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable law and applicable agreements to consummate and make effective this Agreement and the transactions contemplated thereby. The Parties and their attorneys agree to cooperate fully with one another and to use their best efforts to effect the consummation of this Agreement and the transactions contemplated thereby.

28.**Notice**. Each Party shall deliver all notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a “Notice”) in writing and addressed to the other Party at its address set out below (or to any other address that the receiving Party may designate from time to time in accordance with this section). Each Party shall deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt by the receiving Party; and (b) if the Party giving the Notice has complied with the requirements of this section.

If to the Donovitz Entities:	Dr. Gary S. Donovitz [*****]

	Attention: Dr. Gary S. Donovitz
with a copy (which shall not constitute effective notice) to:	Mr. William A. Brewer III Brewer, Attorneys & Counselors 1717 Main Street, Suite 5900 Dallas, TX 75201 Email: wab@brewerattorneys.com
If to the Biote Entities, Conlon, Beer Weber, Jacoby, or Cone:	BioTE Holdings, LLC 1875 W. Walnut Hill Lane Irving, TX 75038 Attention: Mary Elizabeth Conlon
with a copy (which shall not constitute effective notice) to:	McKool Smith 300 Crescent Court, Suite 1500 Dallas, TX 75201 Attention: Alan S. Loewinsohn
If to Haymaker, Andrew Heyer, or Steven Heyer:	Andrew Heyer [*****] Steven Heyer [*****]
with a copy (which shall not constitute effective notice) to:	Sidney Burke DLA Piper LLP (US) 1251 Avenue of the Americas, 27th Floor New York, NY 10020
If to Cooley:	Ann Mooney Cooley LLP 3 Embarcadero Center, 20th Floor San Francisco, CA 94111-4004
with a copy (which shall not constitute effective notice) to:	David E. Ross Ross Aronstam & Moritz LLP 1313 North Market Street, Suite 1001 Wilmington, DE 19801

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IN WITNESS WHEREOF, the Parties have executed this Agreement intending to make this a document under seal.

/s/ Dr. Gary S. Donovitz	*/s/ Marc D. Beer*
DR. GARY S. DONOVITZ	BIOTE CORPORATION
/s/ Dr. Gary S. Donovitz	*/s/ Marc D. Beer*
THE GARY S. DONOVITZ 2012 IRREVOCABLE TRUST	BIOTE MEDICAL, LLC
/s/ Dr. Gary S. Donovitz	*/s/ Marc D. Beer*
BIOTE MANAGEMENT LLC	BIOTE MEDICAL, LLC

/s/ Marc D. Beer

MARC D. BEER

/s/ Teresa S. Weber

TERESA S. WEBER

/s/ Dana Jacoby

DANA JACOBY

/s/ Mark Cone

MARK CONE

/s/ Mary Elizabeth Conlon

MARY ELIZABETH CONLON

/s/ Steven J. Heyer

HAYMAKER SPONSOR III LLC

/s/ Andrew Heyer

ANDREW HEYER

/s/ Steven J. Heyer

STEVEN J. HEYER

/s/ Ann Mooney

COOLEY LLP

EXHIBIT A

CAUSE NO. DC-22-08737

BIOTE MEDICAL, LLC,	**§**	**IN THE DISTRICT COURT**
	§	
Plaintiff,	**§**	
	§	
v.	**§**	
	§	**DALLAS COUNTY, TEXAS**
	§	
DR. GARY S. DONOVITZ,	**§**	
	§	
Defendant.	**§**	

§ 134TH JUDICIAL DISTRICT
§

AMENDED FINAL JUDGMENT

On September 8, 2023, Plaintiff BioTE Medical, LLC ("Plaintiff" or "BioTE") and Defendant Dr. Gary S. Donovitz ("Donovitz"), entered into an Agreed Partial Judgment for Permanent Injunction and Stipulation ("Agreed Partial Judgment"), which is attached as exhibit A and is incorporated for all purposes into this Final Judgment by reference. On October 30, 2023, the above-styled case was called to trial on the remaining issues not disposed by the Agreed Partial Judgment. BioTE and Donovitz appeared by attorneys of record and announced ready. Having been previously demanded, a jury consisting of twelve jurors and one alternate juror was duly empaneled and the case proceeded to trial.

At the conclusion of the evidence, the Court submitted the disputed questions of fact to the jury. The jury found that a reasonable fee for the necessary services of BioTE's attorneys for its claim for breach of contract was (a) $4,678,717.25 for representation through trial; (b) $55,000 for representation in the trial court after trial and before judgment; (c) $70,000 for representation in the court of appeals; (d) $30,000 for representation at the petition for review stage in the Supreme Court of Texas; (e) $50,000 for representation at the merits briefing stage in the Supreme Court of

Texas; and (f) $50,000 for representation through oral argument and the completion of proceedings in the Supreme Court of Texas. The Charge of the Court and the verdict of the jury, which was accepted by the Court, are attached as Exhibit B and fully incorporated herein for all purposes by reference. The Court has considered the stipulations and agreements in the Agreed Partial Judgment, the jury's verdict, the evidence presented at trial, any motions for judgment, and the Court's previous orders and rulings. Accordingly, the Court has determined that a Final Judgment is proper. It is, therefore, **ORDERED, ADJUDGED AND DECREED** that:

1. Donovitz and all of his officers, agents, servants, employees, shareholders, affiliates, subsidiaries, attorneys, representatives, and all others in active concert or participation with

him and those subject to his control, be and hereby are permanently restrained and enjoined from (a) directly or indirectly making any disparaging or derogatory statement(s) to any third party regarding the Plaintiff or its current or former officers, directors, employees, members or affiliates, provided however that nothing in this Permanent Injunction shall prohibit Donovitz from making any statements to any officer or director of the Plaintiff or a governmental regulatory body or from making statements in a pleading, in a deposition or in a hearing in connection with any lawsuit; and (b) any destruction or deletion of any documents, including electronic communications, relating in any way to the business of Plaintiff.

2. Plaintiff shall have and recover attorneys' fees from Donovitz in the amount of $4,733,717.25;
3. Plaintiff also shall have and recover the following conditional attorney's fees from Donovitz if the following events occur:
    a. $70,000 in the event of an appeal to the court of appeals;

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    b. $30,000 in the event of a petition for review filed with the Texas Supreme Court;
    c. $50,000 in the event the Texas Supreme Court requests briefs on the merits; and
    d. $50,000 in the event of preparation and presentation of oral argument to the Texas Supreme Court.
4. Plaintiff shall have and recover all taxable costs from Donovitz;
5. Plaintiff shall have and recover post judgment interest on the entire amount of the judgment, including court costs, at 8.5% percent compounded interest per annum, accruing from the date the judgment is signed until the date the judgment is satisfied;
6. All writs and processes for the enforcement and collection of this Judgment and the costs of court shall issue as necessary; and
7. All relief requested in this case and not expressly granted herein is denied.

This is a **FINAL JUDGMENT** and finally and completely disposes of all parties and claims and is appealable.

SIGNED this _____ day of _____________________, 2023.

11/21/2023 1:32:23 PM

/s/ Dale B. Tillery
JUDGE PRESIDING

EXHIBIT A

CAUSE NO. DC-22-08737

BIOTE MEDICAL, LLC,	**§**	**IN THE DISTRICT COURT**
	§	
Plaintiff,	**§**	
	§	
v.	**§**	
	§	**DALLAS COUNTY, TEXAS**
DR. GARY S. DONOVITZ AND	**§**	
individually and dba LANI D.	**§**	
CONSULTING,	**§**	
	§	
Defendants.	**§**	
	§	**134th JUDICIAL DISTRICT**

AGREED PARTIAL JUDGMENT FOR PERMANENT INJUNCTION AND STIPULATION

On _________________, 2023, the Court heard the request of Plaintiff BioTE Medical, LLC ("BioTE" or "Plaintiff") for a permanent injunction against Dr. Gary S. Donovitz ("Donovitz") (BioTE and Donovitz, collectively, the "Parties"). BioTE and Donovitz appeared by attorneys of record and announced ready.

All parties waived a trial by jury as to liability and the request for permanent injunction against Donovitz was tried before the Court.

BioTE and Donovitz stipulate to the following reasons for issuance of a Permanent Injunction against Donovitz: (1) Donovitz failed to comply with the non-disparagement provision in the contract he entered into with Plaintiff and thereby breached his contract, which contract provides that a breach will cause irreparable harm entitling BioTE to injunctive relief, (2) BioTE has a probable right to the Permanent Injunction provided herein, (3) if this Permanent Injunction is not issued, BioTE will suffer a probable and imminent injury that would be irreparable for a

number of reasons including because Plaintiff will be required to continue to spend considerable resources meeting with practitioners, employees, and bankers to preserve its source of revenue, minimize instability and turmoil in the organization, and preserve its relationship with lenders, and these harms to BioTE are irreparable because BioTE cannot fully ascertain the full extent of harm done to its reputation and business and to calculate its economic loss.

The Parties stipulate and agree that BioTE may file an application on BioTE's request for attorneys' fees, and the hearing on that application shall occur no later than October 31, 2023. If in connection with the application for attorneys' fees BioTE wishes to call its previously designated expert on attorneys' fees, John T. Cox, III, such expert shall be deposed reasonably prior to the hearing on the application if requested by Donovitz, and in the event that Donovitz wishes to call his previously designated expert on attorneys' fees, Joseph M. Cox, to rebut the testimony of Plaintiff's expert, such expert shall be deposed reasonably prior to a hearing on the application if requested by BioTE. BioTE expressly reserves its position that its application for attorneys' fees shall be decided by the Court, and

Donovitz expressly reserves his position that BioTE's application for attorneys' fees shall be decided by a jury.

Donovitz also stipulates that he will not assert or argue at any time, including in the event of an appeal of any final judgment in this cause, that: 1) BioTE is not entitled to recover attorneys' fees because there is no finding by a judge or jury that the breach of contract that Donovitz stipulates to herein resulted in harm, and/or 2) BioTE is not entitled to recover attorneys' fees because the relief BioTE sought and obtained in the form of a permanent injunction was obtained by agreement rather than a contested trial, Otherwise, Donovitz reserves all rights to contest reasonableness and necessity of fees.

Accordingly, based on the foregoing and the agreement and stipulations of the Parties, the Court has determined that a Permanent Injunction against Donovitz is proper on the terms stated therein. It is, therefore, ORDERED that:

1. Plaintiffs Application for Permanent Injunction is GRANTED;
2. Donovitz and all of his officers, agents, servants, employees, shareholders, affiliates, subsidiaries, attorneys, representatives, and all others in active concert or participation with him and those subject to his control, be and hereby are permanently restrained and enjoined from (a) directly or indirectly making any disparaging or derogatory statement(s) to any third party regarding the Plaintiff or its current or former officers, directors, employees, members or affiliates, provided however that nothing in this Permanent Injunction shall prohibit Donovitz from making any statements to any officer or director of the Plaintiff or a governmental regulatory body or from making statements in a pleading, in a deposition or in a hearing in connection with any lawsuit; and (b) any destruction or deletion of any documents, including electronic communications, relating in any way to the business of Plaintiff.

It is FURTHER ORDERED that the terms of the Permanent Injunction stated herein will be incorporated into a Final Judgment after a determination by the Court on BioTE's request for attorneys' fees. Donovitz agrees in the event of any appeal of the final judgment in this case not to appeal or seek to overturn or amend the terms of the Permanent Injunction provided for herein, and Donovitz agrees in the event a motion to enforce the Permanent Injunction is filed at any date in the future, Donovitz will not argue that the Permanent Injunction is invalid or unenforceable,

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It is FURTHER ORDERED that the bond of $5,000.00 previously deposited by BioTE with the Court in connection with the granting of the Temporary Restraining Order and Order Setting Hearing for Temporary Injunction, which was entered on August 3, 2022, shall be returned to BioTE upon entry of this order.

It is FURTHER ORDERED that the Agreed Order Granting Extension of Temporary Restraining Order previously agreed to by the Parties and signed by the Court shall be and is hereby superseded by this order.

SIGNED this _____ day of September, 2023.

9/9/2023 7:29:58 PM

/s/ Dale B. Tillery
JUDGE PRESIDING

AGREED AND STIPULATED AS TO FORM AND SUBSTANCE:

/s/ Alan S. Loewinsohn
Alan S. Loewinsohn on behalf of
BioTE Medical, LLC

/s/ Matthew Davis
Sarah Rogers / Matthew Davis on behalf of
Dr. Gary S. Donovitz

EXHIBIT B

CAUSE NO. DC-22-08737

BIOTE MEDICAL, LLC,	**IN THE DISTRICT COURT**
VS.	**134TH JUDICIAL DISTRICT**
DR. GARY S. DONOVITZ	**DALLAS COUNTY, TEXAS**

JURY CHARGE

LADIES AND GENTLEMEN OF THE JURY:

After the closing arguments, you will go to the jury room to decide the case, answer the questions that are included in this Jury Charge, and reach a verdict. You may discuss the case with other jurors only when you are all together in the jury room.

Remember my previous instructions: Do not discuss the case with anyone else, either in person or by any other means. Do not do any independent investigation about the case or conduct any research. Do not look up any words in dictionaries or on the Internet. Do not post information about the case on the Internet. Do not share any special knowledge or experiences with the other jurors. Do not use your phone or any other electronic device during your deliberations for any reason. I have previously given you a number where others may contact you in case of an emergency.

Any notes you have taken are for your own personal use. You may take your notes back into the jury room and consult them during deliberations, but do not show or read your notes to your fellow jurors during your deliberations. Your notes are not evidence. Each of you should rely on your independent recollection of the evidence and not be influenced by the fact that another juror has or has not taken notes.

You must leave your notes with the bailiff when you are not deliberating. The bailiff will give your notes to me promptly after collecting them from you. I will make sure your notes are kept in a safe, secure location and not disclosed to anyone. After you complete your deliberations, the bailiff will collect your notes. When you are released from jury duty, the bailiff will promptly destroy your notes so that nobody can read what you wrote.

Here are the instructions for answering the questions.

1. Do not let bias, prejudice, or sympathy play any part in your decision.

2. Base your answers only on the evidence admitted in Court and on the law that is in these instructions and questions. Do not consider or discuss any evidence that was not admitted in the courtroom.

3. You are to make up your own minds about the facts. You are the sole judges of the credibility of the witnesses and the weight to give their testimony. But on matters of law, you must follow all of my instructions.

4. If my instructions use a word in a way that is different from its ordinary meaning, use the meaning I give you, which will be a proper legal definition.

5. All the questions and answers are important. No one should say that any question or answer is not important.

6. Answer “yes” or “no” to all questions unless you are told otherwise. A “yes” answer must be based on a preponderance of the evidence unless you are told otherwise. Whenever a question requires an answer other than “yes” or “no,” your answer must be based on a preponderance of the evidence.

The term “preponderance of the evidence” means the greater weight of credible evidence presented in this case. If you do not find that a preponderance of the evidence supports a “yes” answer, then answer “no.” A preponderance of the evidence is not measured by the number of witnesses or by the number of documents admitted in evidence. For a fact to be proved by a preponderance of the evidence, you must find that the fact is more likely true than not true.

7. Do not decide who you think should win before you answer the questions and then just answer the questions to match your decision. Answer each question carefully without considering who will win. Do not discuss or consider the effect your answers will have.

8. Do not answer questions by drawing straws or by any method of chance.

9. Some questions might ask you for a dollar amount. Do not agree in advance to decide on a dollar amount by adding up each juror’s amount and then figuring the average.

10. Do not trade your answers. For example, do not say, “I will answer this question your way if you answer another question my way.”

11. Unless otherwise instructed, the answers to the questions must be based on the decision of at least 10 of the 12 jurors. The same 10 jurors must agree on every answer. Do not agree to be bound by a vote of anything less than 10 jurors, even if it would be a majority.

As I have said before, if you do not follow these instructions, you will be guilty of juror misconduct, and I might have to order a new trial and start this process over again. This would waste your time and the parties’ money, and would require the taxpayers of this county to pay for another trial. If a juror breaks any of these rules, tell that person to stop and report it to me immediately.

DEFINITIONS AND INSTRUCTIONS

A fact may be established by direct evidence or by circumstantial evidence or both. A fact is established by direct evidence when proved by documentary evidence or by witnesses who saw the act done or heard the words spoken. A fact is established by circumstantial evidence when it may be fairly and reasonably inferred from other facts proved.

“BioTE” means BioTE Medical, LLC.

JURY QUESTIONS

QUESTION NO. 1:

What is a reasonable fee, if any, for the necessary legal services of BioTE's attorneys for its claim for breach of contract?

You are instructed that a reasonable fee is presumed to be the reasonable hours worked, and to be worked, multiplied by a reasonable hourly rate for that work.

Do not include fees that relate solely to any other claim, including claims against other parties. You may include fees for legal services that advance another claim so long as they also advance the claim for breach of contract.

Answer with an amount in dollars and cents for each of the following:

1. 1. For representation through trial.

   Answer: $4,678,717.25______________

2. For representation in the trial court after trial and before judgment.

   Answer: __$55,000____________

3. For representation in the court of appeals.

   Answer: ___$70,000___________

4. For representation at the petition for review stage in the Supreme Court of Texas.

   Answer: __$30,000____________

5. For representation at the merits briefing stage in the Supreme Court of Texas.

   Answer: __$50,000____________

6. For representation through oral argument and the completion of proceedings in the Supreme Court of Texas.

   Answer: __$50,000____________

Presiding Juror:

1. When you go into the jury room to answer the questions, the first thing you will need to do is choose a presiding juror.

2. The presiding juror has these duties:

   a. have the complete charge read aloud if it will be helpful to your deliberations;

   b. preside over your deliberations, meaning manage the discussions, and see that you follow these instructions;

   c. give written questions or comments to the bailiff who will give them to the judge;

   d. write down the answers you agree on;

   e. get the signatures for the verdict certificate; and

   f. notify the bailiff that you have reached a verdict.

Do you understand the duties of the presiding juror? If you do not, please tell me now.

Instructions for Signing the Verdict Certificate:

1. Unless otherwise instructed, you may answer the questions on a vote of 10 jurors. The same 10 jurors must agree on every answer in the charge. This means you may not have one group of 10 jurors agree on one answer and a different group of 10 jurors agree on another answer.

2. If 10 jurors agree on every answer, those 10 jurors sign the verdict.

   If 11 jurors agree on every answer, those 11 jurors sign the verdict.

   If all 12 of you agree on every answer, you are unanimous and only the presiding juror signs the verdict.

3. All jurors. should deliberate on every question. You may end up with all 12 of you agreeing on some answers, while only 10 or 11 of you agree on other answers. But when you sign the verdict, only those 10 or 11 who agree on every answer will sign the verdict.

Do you understand these instructions? If you do not, please tell me now.

<u>/s/ Dale B. Tillery</u>
JUDGE PRESIDING

Verdict Certificate

Check one:

Our verdict is unanimous. All 12 of us have agreed to each and every answer. The presiding juror has signed the certificate for all 12 of us.

Signature of Presiding Juror Printed Name of Presiding Juror

Our verdict is not unanimous. Eleven of us have agreed to each and every answer and have signed the certificate below.

✓Our verdict is not unanimous. Ten of us have agreed to each and every answer and have signed the certificate below.

SIGNATURE	NAME PRINTED
1. */s/ Mikole Mayo*	Mikole Mayo
2. */s/ Caroline Zurmely*	Caroline Zurmely
3. */s/ Lesley Garcia*	Lesley Garcia
4. */s/ Denise Rodriguez*	Denise Rodriguez
5. */s/ Jonathan Smith*	Jonathan Smith
6. */s/ Veronica Williams*	Veronica Williams
7. */s/ LaShaun Holland*	LaShaun Holland
8. */s/ Michelle Corbin*	Michelle Corbin
9. */s/ Martin Manzanares*	Martin Manzanares
10. */s/ Ceasor De La Rosa*	Ceasor De La Rosa

11.

EXHIBIT B

BIOTE CORP.

VOTING AGREEMENT

This Voting Agreement, dated as of April 26, 2024 (this "Agreement"), is entered into by and among biote Corp., a Delaware corporation (together with any direct or indirect successor or assign thereof, the "Corporation"), and Gary S. Donovitz ("Dr. Donovitz"), BioTE Management, LLC ("BioTE Management"), and the Gary S. Donovitz 2012 Irrevocable Trust (the "Trust" and, together with BioTE Management, Dr. Donovitz, and any transferee of any of the foregoing, the "Stockholders" and each a "Stockholder"), pursuant to the Settlement Agreement settling all claims between the Corporation and the Stockholders (the "Settlement Agreement").

WHEREAS, as of the date hereof, the Stockholders are the record and beneficial owners of Class V Common Stock, par value $0.0001 per share, of the Corporation and Class A Common Stock, par value $0.0001 per share, of the Corporation, identified on Exhibit A (such shares, together with such additional shares of capital stock of the Corporation or other securities of the Corporation that they or any transferee now or may hereafter hold record or beneficial ownership of from time to time, and any and all other shares of capital stock or other securities (whether of the Corporation, any successor thereto or any other Person (as defined below)) issued in respect thereof in any manner, including, without limitation, whether by dividend, stock dividend, liquidating distribution, reclassification, exchange, combination, subdivision, redemption, recapitalization, merger, consolidation, division, conversion, domestication, transfer, continuance, dissolution, liquidation or winding up, operation of law, similar event or otherwise, the "Subject Shares" and any such transaction or similar event or transaction, a "Reorganization"); and

WHEREAS, the parties hereto desire to enter into this Agreement in connection with the resolution of certain matters, pursuant to the Settlement Agreement, and in order to govern the Subject Shares from and after the date hereof.

NOW, THEREFORE, the parties hereto agree as follows:

1. Irrevocable Proxy. Each Stockholder hereby irrevocably appoints the Chief Executive Officer of the Corporation (or, if at any time there is no Chief Executive Officer in office or if the Chief Executive Officer is unable to act, the longest tenured senior executive officer of the Corporation then in office) (the "Proxyholder"), and any designee of the Proxyholder, each as the sole and exclusive attorney-in-fact and proxy of such Stockholder, with full power of substitution and re-substitution, to exercise all of such Stockholder's voting, consent (whether pursuant to Section 228 of the General Corporation Law of the State of Delaware (the "DGCL") or otherwise) and related rights with respect to any and all Subject Shares that such Stockholder now or may hereafter hold record ownership or beneficial ownership of from time to time, in accordance with this Agreement and the Settlement Agreement. Each Stockholder hereby acknowledges and agrees that the proxy and power-of-attorney provided herein (this "Proxy") are irrevocable to the extent permitted under Section 212 of the DGCL, are coupled with an interest and shall continue in effect at any time when any Subject Shares are held of record or beneficially owned by such Stockholder or any transferee thereof (which period of effectiveness of this Proxy may, for the avoidance of doubt, exceed a period of three years). Without limiting the foregoing, each Stockholder hereby acknowledges and agrees that this Proxy shall survive such Stockholder's

death, disability or incapacity (in the case of an individual) or any Reorganization involving any Stockholder (in the case of any other Person) and shall survive the transfer of any of the Subject Shares. The Proxyholder will be empowered at any time from and after the date hereof, in a manner consistent with this Agreement but otherwise in its sole and absolute discretion to vote or cause to be voted all of the Subject Shares at every annual or special meeting of the Corporation's stockholders on all matters in respect of which the Subject Shares are entitled to vote and at every adjournment or postponement thereof, and take every action or approval by consent of the Corporation's stockholders (and execute and deliver any and all such consents) in respect of which the Subject Shares are entitled to consent in lieu of a meeting of stockholders.

2. Voting. At every meeting of the stockholders of the Corporation called in any manner, and at each and every adjournment or postponement thereof, and on each and every action or approval by consent of the stockholders of the Corporation in lieu of a meeting of stockholders, Proxyholder, on behalf each Stockholder, shall vote or cause to be voted (or give consent or cause consent to be given with respect to) all of the Subject Shares that each Stockholder is entitled to vote or cause to be voted on each proposal or other matter on which stockholders are required or permitted to vote in the same proportion as the votes cast by the stockholders entitled to vote thereon (other than the Subject Shares). For the avoidance of doubt, to the extent applicable at any time, on each and every action or approval by consent of the stockholders of the Corporation in lieu of a meeting of stockholders, the Proxyholder, on behalf of each Stockholder, shall duly execute and deliver a consent (or cause a consent to be duly executed and delivered) consenting to such action or approval with respect to a number of the Subject Shares equal to the product of (i) the number of Subject Shares then subject to this Agreement *times* (ii) a fraction, (x) the numerator of which is the number of votes represented with respect to such action or approval by the outstanding shares of capital stock of the Corporation (other than the Subject Shares) that have consented to such action or approval from time to time and (y) the denominator of which is the number of votes represented with respect to such action or approval by all outstanding shares of capital stock of the Corporation (other than the Subject Shares). Any vote purportedly cast (or action by consent in lieu of a meeting of stockholders purportedly taken) by a Stockholder in violation of this Agreement shall be null and void *ab initio* and of no force and effect. The Proxyholder, on behalf of each Stockholder, shall cause each of the Subject Shares to be present and counted for purposes of establishing a quorum at each and every meeting of the stockholders of the Corporation called in any manner, and at each and every adjournment or postponement thereof.

3. Representations, Warranties and Covenants of the Stockholders. Each of the Stockholders hereby represents and warrants to the Corporation, as to such Stockholder, that (a) as of the date hereof, such Stockholder owns beneficially and of record the Subject Shares set forth opposite such Stockholder's name on Exhibit A hereto, (b) such Stockholder has the power and authority or legal capacity, as applicable, to enter into and perform all of such Stockholder's obligations under this

Agreement, (c) this Agreement has been duly and validly executed and delivered by such Stockholder and constitutes a valid and binding agreement of such Stockholder, enforceable against such Stockholder in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief and other equitable remedies.

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4. Certain Agreements & Acknowledgements. To the fullest extent permitted by law, each Stockholder hereby acknowledges and agrees, to the extent that, at law or in equity, the Proxyholder has any duties (fiduciary or otherwise) or liabilities relating thereto, (a) the Proxyholder shall not be liable to any Stockholder for actions taken by the Proxyholder pursuant to provisions of this Agreement, and (b) the duties of the Proxyholder are expressly disclaimed by each Stockholder, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Proxy or this Agreement with respect to the Proxyholder. Each Stockholder hereby acknowledges and agrees that none of the Corporation, Proxyholder, any of their respective affiliates, any director, officer, manager, partner, agent or representative of any of the foregoing or any other Person made any representations or warranties, and that such Stockholder relied on no such representations or warranties, regarding the voting of the Subject Shares pursuant to this Proxy or any other matter in connection with such Stockholder's execution of and entry into this Proxy. Each Stockholder acknowledges and agrees that the Proxyholder is a direct third-party beneficiary of this Agreement.

5. Transfer Restrictions. Any obligation of a Stockholder hereunder shall be binding upon such Stockholder's successors and assigns. From and after the date hereof, no Stockholder will, directly or indirectly (by merger, consolidation, other Reorganization, operation of law or otherwise), (i) transfer, sell, assign, dispose, donate, pledge, bequest, hypothecate, convey, encumber or otherwise dispose of any of such Stockholder's Subject Shares or any interest therein by any means whatsoever (a "Transfer"), (ii) deposit (or permit the deposit of) any Subject Shares in a voting trust, (iii) grant any proxy or power-of-attorney with respect to such Stockholder's Subject Shares or (iv) enter into any voting agreement or similar agreement with respect to any of such Stockholder's Subject Shares, except with the prior written consent of the Corporation. If a Stockholder carries out any of the actions

described in the foregoing subclauses (i) through (iv) without the prior written consent of the Corporation, or orders or permits any Person to carry out any of those actions, such action shall be null and void *ab initio* and of no force and effect. Each Stockholder shall submit any certificate(s) representing such Stockholder's Subject Shares to be submitted to the appropriate officer or agent of the Corporation for the impression thereon of a legend reflecting the restrictions on transfer set forth in this Agreement.

6. Amendment. No amendment, modification, replacement, termination or cancellation of any provision of this Agreement will be valid unless the same is in writing and signed by each Stockholder and by the Corporation.

7. Choice of Law; Exclusive Forum. This Agreement, this Proxy and each transaction, action and matter arising out of or related hereto shall be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. The parties hereto agree that William B. Chandler III will retain exclusive jurisdiction over all controversies, disputes or claims arising from or relating to this Agreement, or breach of it. If the parties cannot resolve a dispute over language contained in the Agreement, or the Parties' obligations created or affirmed by this Agreement, the parties will submit the dispute to William B. Chandler III for a final and non-appealable decision. If William B. Chandler III is unavailable to resolve such disputes, the parties hereto agree that any and all controversies, disputes or claims arising from or relating to this Agreement, or breach of it, shall be brought exclusively in the Court of Chancery of the State of Delaware or, if the Court of Chancery does not have subject matter jurisdiction over the matter, the Superior Court of the State of Delaware's Complex Commercial

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Litigation Division or, if jurisdiction over the matter is vested exclusively in the federal courts, the United States District Court of the District of Delaware, and each of the Parties hereby irrevocably consents to the jurisdiction of such court (and of the appropriate appellate courts from it) in any such action and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such action in any such court or that any such action which is brought in such court has been brought in an inconvenient forum. Process in any such action may be served by mail or similar means on any party hereto anywhere in the world, whether within or without the jurisdiction of such court.

8. Specific Remedies. Each Stockholder hereby agrees and acknowledges that the Corporation and each other Proxyholder would be irreparably harmed in the event of a breach by such Stockholder of such Stockholder's obligations hereunder, that monetary damages may not be an adequate remedy for such breach and that the Corporation and each Proxyholder shall be entitled to specific performance or injunctive relief, without the need to post a bond or other security, in addition to any other remedy that the Corporation and each Proxyholder may have at law or in equity, in the event of such breach.

9. Definitions. For purposes of this Agreement, the following terms shall be defined as follows:

"beneficial ownership" shall have the meaning defined in Rules 13d-3 and 13d-5 under the U.S. Securities Exchange Act of 1934, as amended.

"Person" means a company, a joint venture, a corporation (including any non-profit corporation), an estate, a firm, an association, a trust, a partnership (general or limited), a limited liability company, a limited liability partnership, an unincorporated organization or any other entity.

[*Signature Page Follows*]

IN WITNESS WHEREOF, each of undersigned has executed this Agreement as of the date first-above written.

biote Corp.

By: *<u>/s/ Marc D. Beer</u>*

Name: MARC D. BEER
Title: Chairman

Stockholders:

Gary S. Donovitz

/s/ Gary S. Donovitz
Gary S. Donovitz

Gary S. Donovitz 2012 Irrevocable Trust

By: */s/ Gary S. Donovitz*
Gary S. Donovitz
Trustee

BioTE Management, LLC

By: */s/ Gary S. Donovitz*
Gary S. Donovitz
Managing Member

Exhibit A

Stockholder	Shares of Class A Common Stock	Shares of Class V Common Stock

	Stock	Stock
BioTE Management, LLC		703,808
Gary S. Donovitz 2012 Irrevocable Trust	5,075,090	12,653,977

EXHIBIT C

No. 05-24-00171-CV

COURT OF APPEALS FOR THE FIFTH DISTRICT OF TEXAS

DR. GARY S. DONOVITZ,

Appellant,

v.

BIOTE MEDICAL LLC,

Appellee.

From the 134TH District Court of Dallas County, Texas

Cause No. DC-22-08737

UNOPPOSED MOTION TO DISMISS APPEAL

TO THE HONORABLE FIFTH COURT OF APPEALS:

Appellant Dr. Gary S. Donovitz ("Donovitz") files this Unopposed Motion to Dismiss Appeal pursuant to Texas Rule of Appellate Procedure 42.1.

DISCUSSION

Donovitz seeks voluntary dismissal of the above-captioned appeal. Under Texas Rule of Appellate Procedure 42.1, "the court may dismiss the appeal" upon motion of the appellant. Tex. R. App. P. 42.1. Donovitz and BioTE Medical LLC ("BioTE") have settled their disputes in this case. Accordingly, Donovitz desires to dismiss the appeal, with all costs taxed to the party incurring the same. BioTE is unopposed to this Motion.

PRAYER

In accordance with Texas Rule of Appellate Procedure 42.1, Donovitz respectfully requests that the Court dismiss the above-captioned appeal.

Respectfully submitted,

BREWER, ATTORNEYS & COUNSELORS

/s/Gizem Petrosino

William A. Brewer III

Texas Bar Admission No.: 2967035

Sarah B. Rogers (*admitted pro hac vice*)

Matthew Davis

Texas Bar Admission No.: 24069580

Gizem Petrosino

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Facsimile: (214) 653-1015
Counsel for Dr. Gary S. Donovit

ATTORNEYS FOR GARY S. DONOVITZ

CERTIFICATE OF CONFERENCE

Undersigned counsel conferred with Alan Loewinsohn, counsel for Appellee, regarding the relief requested in this Motion on April 26, 2024. Appellee is unopposed to this Motion.

/s/Gizem Petrosino
Gizem Petrosino

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was electronically served upon all counsel of record in accordance with the Texas Rules of Civil Procedure on April 26, 2024,

/s/Gizem Petrosino
Gizem Petrosino

EXHIBIT D

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Teresa S. Weber, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of biote Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolid subsidiaries, is made known to us by others within those entities, particularly during the period in which this report being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to b designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting anc the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during t registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reportin and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control o financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in th registrant's internal control over financial reporting.

Date: November 13, 2023 May 10, 2024

By: /s/ Teresa S. Weber

Teresa S. Weber

Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO

RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,

AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Samar J. Kamdar, Robert C. Peterson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of biote Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material

necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present ir material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolid subsidiaries, is made known to us by others within those entities, particularly during the period in which this report being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to b designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting anc the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during t registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reportin and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control o financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in th registrant's internal control over financial reporting.

Date: November 13, 2023 May 10, 2024

By: /s/ Samar J. Kamdar Robert C. Peterson

Samar J. Kamdar Robert C. Peterson

Chief Financial Officer

Principal Financial Officer and

Principal Accounting Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Teresa S. Weber, Chief Executive Officer of biote Corp. (the “Company”) hereby certifies that, to the best of my knowledge:

(1) The Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024, to whic this Certification is attached as Exhibit 32.1 (the “Periodic Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

(2) The information contained in the Periodic Report fairly presents, in all material respects, the financial condition anc results of operations of the Company.

Date: November 13, 2023 May 10, 2024

By: /s/ Teresa S. Weber

Teresa S. Weber
Chief Executive Officer

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Samar J. Kamdar, Robert C. Peterson, Chief Financial Officer of biote Corp. (the "Company") hereby certifies that, to the best of my knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024, to whic this Certification is attached as Exhibit 32.2 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

(2) The information contained in the Periodic Report fairly presents, in all material respects, the financial condition anc results of operations of the Company.

Date: November 13, 2023 May 10, 2024

By: /s/ Samar J. Kamdar Robert C. Peterson

Samar J. Kamdar Robert C. Peterson
Chief Financial Officer
Principal Financial Officer and
Principal Accounting Officer

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.