

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**Form 8-K**

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**Current Report**

**Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 30, 2013**

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**AXOGEN, INC.**

**(Exact name of registrant as specified in its charter)**

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**Minnesota**  
(State or other jurisdiction of  
incorporation)

**0-16159**  
(Commission  
File Number)

**41-1301878**  
(IRS Employer  
Identification No.)

**13859 Progress Boulevard, Suite 100,**  
**Alachua, Florida**  
(Address of Principal Executive Offices)

**32615**  
(Zip Code)

**Registrant's telephone number, including area code**

**(386) 462-6800**

(Former name or former address if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02 Results of Operations and Financial Condition**

On April 30, 2013, AxoGen, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended March 31, 2013. A copy of the press release is furnished as Exhibit 99.1 to this Current Report.

The information furnished pursuant to Item 2.02 of this Current Report, including Exhibit 99.1 hereto, shall not be considered “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of such section, nor shall it be incorporated by reference into future filings by the Company under the Securities Act of 1933, as amended, or under the Exchange Act, unless the Company expressly sets forth in such future filing that such information is to be considered “filed” or incorporated by reference therein.

**Item 9.01. Financial Statements and Exhibits**

## (d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	AxoGen, Inc. press release, dated April 30, 2013.

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**SIGNATURE**

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 hereunto duly authorized.

AXOGEN, INC.

Date: April 30, 2013

By: /s/ Gregory G. Freitag  
Gregory G. Freitag  
Chief Financial Officer

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## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	AxoGen, Inc. press release, dated April 30, 2013.



## AxoGen, Inc. Reports First Quarter 2013 Financial Results

### AxoGen announces record revenues and positive results

#### First Quarter 2013 Highlights:

- Revenues increased 29.6% to \$2.14 million
- Gross profit increased 30.4% to \$1.58 million
- Gross margin remained strong at 73.9%, up 50 basis points
- Appointed Shawn McCarrey as Senior Vice President of Sales

**ALACHUA, FL – April 30, 2013** – AxoGen, Inc. (OTCBB: AXGN) a leading regenerative medicine company focused on the commercialization of proprietary products and technologies for peripheral nerve reconstruction and regeneration, announced financial results for the first quarter ended March 31, 2013.

Karen Zaderej, Chief Executive Officer of AxoGen, said, “We achieved record revenue in the first quarter 2013 as a result of our ongoing commercialization strategies focused on expanding usage within our current key accounts and increasing the number of surgeons and facilities using our unique peripheral nerve repair products. During the quarter we were a first-time exhibitor at the American Association of Orthopedic Surgeons Annual Meeting and sponsored peer-to-peer education events at other medical conferences including the American Association for Hand Surgery and the American Society for Peripheral Nerve.” Ms. Zaderej continued, “Our efforts were enhanced by the presentation of new data by study investigators in the Ranger® Registry, an ongoing multi-center registry for peripheral nerve repair. Finally, during the quarter, we worked to target key new accounts and welcomed Shawn McCarrey as the leader of our U.S. sales organization. All of these activities contributed to record sales in the first quarter 2013 and position us well for future growth.”

#### Revenue

Revenues for the first quarter 2013 were \$2.14 million, up 29.6% compared to \$1.65 million in the first quarter 2012, driven by an increase in the number of facilities utilizing the Company’s products and increased penetration of existing accounts.

#### Gross Profit

Gross profit for the first quarter 2013 was \$1.58 million, up 30.4% compared to \$1.21 million in the first quarter 2012. Gross profit margin for the first quarter 2013 was 73.9%, up 50 basis points compared to 73.4% in the first quarter 2012. The year-over-year improvement in gross profit and gross margin was primarily attributable to revenue growth, manufacturing efficiencies and a product price increase instituted in March 2013, partially offset by an increase in the inventory reserve.

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## Operating Expenses

Total operating expenses in the first quarter 2013 were \$3.91 million, up 23.8% compared to \$3.16 million in the first quarter 2012. As a percentage of revenues, operating expenses were down 8.6% in the first quarter 2013 as compared to the same period in 2012, demonstrating improved operating leverage relative to revenue growth in the quarter.

First quarter 2013 sales and marketing expense was \$1.89 million, up 16.3% compared to \$1.63 million in the first quarter 2012. The increase was primarily attributable to the expansion of the Company's marketing efforts and direct sales force.

First quarter 2013 general and administrative expense was \$1.61 million, up 30.5% compared to \$1.23 million in the first quarter 2012. The increase was primarily attributable to increased salaries and benefits, public company expenses, travel and other general expenses.

First quarter 2013 research and development expense was \$0.41 million, up 37.5% compared to \$0.30 million in the first quarter 2012. The increase was primarily attributable to costs associated with the Company's investment in clinical studies that support the use and regulatory position of the Company's products.

## Loss from Operations and Net Loss

Operating loss in the first quarter 2013 was \$2.32 million, compared to \$1.94 million in the first quarter 2012. Net loss in the first quarter 2013 was \$3.44 million, or (\$0.31) per share, compared to net loss of \$2.11 million, or (\$0.19) per share, in the first quarter 2012.

## Balance Sheet

As of March 31, 2013, the Company had \$11.20 million in cash and cash equivalents and approximately \$22.44 million in long-term note payable – revenue interest purchase agreement.

## Conference Call

AxoGen, Inc. management will host a conference call and webcast to review the first quarter 2013 financial results on Wednesday, May 1, 2013 at 10:00 am ET. The conference call and webcast information is as follows:

Conference dial-in: 877-709-8150  
International dial-in: 201-689-8354  
Conference Name: AxoGen First Quarter 2013 Financial Results  
Conference ID: 00413262  
Conference Call Webcast: [www.axogeninc.com/investors.html](http://www.axogeninc.com/investors.html)

Following the live conference call and webcast, a replay will be available on the investor relations section of the Company's website, <http://www.axogeninc.com/investors.html>.

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## **About AxoGen, Inc.**

AxoGen (AXGN) is a regenerative medicine company dedicated to advancing the science and commercialization of peripheral nerve repair solutions. The Company's innovative approach to regenerative medicine has resulted in first-in-class products that will define their product categories. AxoGen's products offer a full suite of surgical nerve reconstruction solutions including Avance® Nerve Graft, the only commercially available processed nerve allograft for bridging severed nerves without the comorbidities associated with a second surgical site, AxoGuard® Nerve Connector, a porcine submucosa extracellular matrix ("ECM") coaptation aid for tensionless repair of severed nerves, and AxoGuard® Nerve Protector, a porcine submucosa ECM product used to wrap and protect injured peripheral nerves and reinforce coaptation sites while preventing soft tissue attachments. For more information, visit our website at [www.axogeninc.com](http://www.axogeninc.com).

AxoGen is the parent of its wholly owned operating subsidiary, AxoGen Corporation. AxoGen's principal executive office and operations are located in Alachua, FL.

## **Cautionary Statements Concerning Forward-Looking Statements**

This Press Release contains "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or predictions of future conditions, events or results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "projects", "forecasts", "continue", "may", "should", "will" variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding product development, product potential, financial performance, sales growth, product adoption, market awareness of our products and data validation. The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements in this release should be evaluated together with the many uncertainties that affect AxoGen's business and its market, particularly those discussed in the risk factors and cautionary statements in AxoGen's filings with the Securities and Exchange Commission. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made, and AxoGen assumes no responsibility to update any forward-looking statements, whether as a result of new information, future events or otherwise.

## **Contact:**

AxoGen, Inc.

Greg Freitag, Chief Financial Officer

386-462-6856

[InvestorRelations@AxoGenInc.com](mailto:InvestorRelations@AxoGenInc.com)

[www.axogeninc.com](http://www.axogeninc.com)

**AXOGEN, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, 2013 (unaudited)	December 31, 2012
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 11,200,447	\$ 13,907,401
Accounts receivable	1,179,138	1,050,089
Inventory	3,420,253	3,151,109
Prepaid expenses and other	142,033	187,256
<b>Total current assets</b>	<b>15,941,871</b>	<b>18,295,855</b>
<b>Property and equipment, net</b>	<b>111,401</b>	<b>108,534</b>
<b>Intangible assets</b>	<b>590,458</b>	<b>573,731</b>
<b>Deferred financing costs</b>	<b>1,208,227</b>	<b>1,252,443</b>
	<b><u>\$ 17,851,957</u></b>	<b><u>\$ 20,230,563</u></b>
<b>Liabilities and Shareholders' Equity (Deficit)</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ 1,418,938	\$ 1,479,752
<b>Total current liabilities</b>	<b>1,418,938</b>	<b>1,479,752</b>
<b>Note Payable – Revenue Interest Purchase Agreement</b>	<b>22,438,404</b>	<b>21,580,252</b>
<b>Total liabilities</b>	<b><u>23,857,342</u></b>	<b><u>23,060,004</u></b>
<b>Commitments and contingencies</b>		
<b>Shareholders' equity (deficit):</b>		
Common stock, \$.01 par value; 50,000,000 shares authorized; 11,127,869 and 11,122,573 shares issued and outstanding	111,279	111,226
Additional paid-in capital	55,169,737	54,908,226
Accumulated deficit	(61,286,401)	(57,848,893)
<b>Total shareholders' equity (deficit)</b>	<b>(6,005,385)</b>	<b>(2,829,441)</b>
	<b><u>\$ 17,851,957</u></b>	<b><u>\$ 20,230,563</u></b>



**AXOGEN, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**Three Months ended March 31, 2013 and 2012**  
(unaudited)

	2013	2012
<b>Revenues</b>	\$ 2,142,932	\$ 1,653,430
<b>Cost of goods sold</b>	<u>560,243</u>	<u>439,158</u>
<b>Gross profit</b>	1,582,689	1,214,272
<b>Costs and expenses:</b>		
Sales and marketing	1,893,541	1,628,608
Research and development	406,943	296,131
General and administrative	<u>1,605,759</u>	<u>1,230,608</u>
<b>Total costs and expenses</b>	<u>3,906,243</u>	<u>3,155,347</u>
<b>Loss from operations</b>	<u>(2,323,554)</u>	<u>(1,941,075)</u>
<b>Other income (expense):</b>		
Interest expense	(1,067,621)	(125,125)
Interest expense – deferred financing costs	(44,216)	(34,951)
Other income (expense)	<u>(2,117)</u>	<u>(8,174)</u>
<b>Total other income (expense)</b>	(1,113,954)	(168,250)
<b>Net Loss</b>	<u>(3,437,508)</u>	<u>(2,109,325)</u>
Net loss available to common shareholders	<u>\$ (3,437,508)</u>	<u>\$ (2,109,325)</u>
Weighted Average Common Shares outstanding – basic and diluted	<u>11,124,633</u>	<u>11,062,339</u>
Loss Per Common share – basic and diluted	<u>\$ (0.31)</u>	<u>\$ (0.19)</u>

**AXOGEN, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Three Months ended March 31, 2013 and 2012**  
**(unaudited)**

	<u>2013</u>	<u>2012</u>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (3,437,508)	\$(2,109,325)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation	23,140	55,691
Amortization of intangible assets	14,687	29,419
Amortization of deferred financing costs	44,216	22,713
Amortization of debt discount	—	12,238
Share-based compensation	259,912	157,860
Interest added to note payable	858,151	—
Change in assets and liabilities:		
Accounts receivable	(129,049)	(96,329)
Inventory	(269,144)	(365,796)
Prepaid expenses and other	45,223	(106,033)
Accounts payable and accrued expenses	(60,814)	(78,727)
<b>Net cash used for operating activities</b>	<u>(2,651,186)</u>	<u>(2,478,289)</u>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(26,007)	(29,313)
Acquisition of intangible assets	(31,415)	(41,236)
<b>Net cash used for investing activities</b>	<u>(57,422)</u>	<u>(70,549)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from exercise of stock options	1,654	63
Payment of fractional shares from Merger	—	(59)
<b>Net cash provided by financing activities</b>	<u>1,654</u>	<u>4</u>
<b>Net decrease in cash and cash equivalents</b>	(2,706,954)	(2,548,834)
<b>Cash and cash equivalents, beginning of year</b>	<u>13,907,401</u>	<u>8,190,781</u>
<b>Cash and cash equivalents, end of period</b>	<u>\$11,200,447</u>	<u>\$ 5,641,947</u>
<b>Supplemental disclosures of cash flow activity:</b>		
Cash paid for interest	\$ 172,527	\$ 125,125