UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 23, 2012

MIMEDX GROUP, INC.
(Exact name of registrant as specified in its charter)

Florida	000-52491	26-2792552
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

60 Chastain Center Blvd., Suite 60 Kennesaw, GA 30144
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (678) 384-6720

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

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 (see General Instruction A.2. below):

☐ 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))

Item 2.02 Results of Operations and Financial Conditions.

On February 28, 2012, the Company issued a press release announcing its financial results for the year ended December 31, 2011. The release also announced that executives of the Company would discuss these results with investors on a conference call broadcast over the World Wide Web and provided access information, date and time for the conference call. A copy of the press release is furnished herewith as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 5.02 Compensatory Arrangements of Certain Officers.

(c) Entry into a Material Compensatory Plan

On February 23, 2012, the Company's Board of Directors (the "Board") adopted the 2012 Management Incentive Plan ("MIP"), which provides for payment of cash bonuses to management personnel who meet the eligibility criteria, including all of the named executive officers. The MIP provides for target base bonuses that are expressed as a percentage of each participant's 2012 annual base compensation while in an eligible position. The target base bonus percentage for the Chairman and Chief Executive Officer ("CEO) and President and Chief Operating Officer ("COO") is 50% of base salary and the target base bonus percentage for the Chief Financial Officer ("CFO") is 40% of base salary. The range for other participants is 15% to 40%.

Bonuses are earned under the MIP based on the Company's consolidated 2012 Earnings Before Interest, Taxes, Depreciation and Share-Based Compensation ("Adjusted EBITDA") and achievement of individual performance objectives. For the CEO and COO, 85% of the base bonus is based on 2012 Adjusted EBITDA and 15% is based on the achievement of individual performance objectives. For the CFO and all other participants in MIP, 75% of the base bonus is based on 2012 Adjusted EBITDA and 25% is based on the achievement of individual performance objectives.

The portion of the base bonus that is based on the Company's 2012 Adjusted EBITDA is earned on a sliding scale (ranging from 0-100%) established by the Board, depending on the 2012 Adjusted EBITDA achieved. The portion of the base bonus that is based on the achievement of individual performance objectives is dependent on achievement of those objectives, except that if 2012 Adjusted EBITDA is below certain thresholds established by the Board, the amount earned is reduced by 50-100%, depending on the level of 2012 Adjusted EBITDA achieved. The individual performance objectives will be comprised of one or more key deliverables, operational measures and/or milestones that are specific to the participant's position and directly influenced by the participant's performance. If a participant achieves only some of his or her individual objectives, a partial amount of the base bonus allocated to the individual objectives component will be earned on a proportionate basis.

If 2012 Adjusted EBITDA exceeds a certain threshold established by the Board, participants may earn an excess bonus up to the amount of the base bonus earned by the participant. Payment of the bonuses under the MIP, if any, is expected to be made in March 2012. A copy of the 2012 Management Incentive Plan is attached hereto as Exhibit 10.2 and the above description is qualified in its entirety by reference to such Exhibit.

(e) Increase in Base Salaries of Chief Executive Officer, Chief Operating Officer and Chief Financial Officer

On February 23, 2012, the Compensation Committee of the Board of Directors approved an increase in the base salary of the Chairman and Chief Executive Officer to $425,000, the President and Chief Operating Officer to $360,000 and the Chief Financial Officer to $250,000, effective April 1, 2012. However, given the current goals of the Company, the CEO requested his salary be held to the same salary as the COO. Therefore the CEO's salary will only be increased to $360,000 effective April 1, 2012.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit No.	Description
10.14	MiMedx Group, Inc., 2012 Management Incentive Plan (MIP)
99.1	MiMedx Group, Inc. Press Release, dated February 28, 2012

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 hereunto duly authorized.

MIMEDX GROUP, INC.

Dated: February 29, 2012

By: /s/: Michael J. Senken
Michael J. Senken, Chief Financial Officer

MiMedx Group, Inc.
2012 Management Incentive Plan
(MIP)

I. Purpose

The 2012 MIP is designed to provide an incentive for key members of the MiMedx Group, Inc. (MiMedx or Company) management team to exceed the 2012 Business Plan and reward those management team members with deserving performance.

The goals of the 2012 MIP are:

1. To increase shareholder value.
2. To achieve and exceed the 2012 Business Plan for Consolidated MiMedx and each Division of the Company.
3. To reward key individuals for demonstrated performance that is sustained throughout the year.
4. To enhance the Company's ability to be competitive in the marketplace for executive talent and attract, retain and motivate a high-performing and high-potential management team.

II. Program Period

This program is in effect from January 1, 2012 through December 31, 2012. The program is subject to adjustment by the Company at any time during or after the program period. In the event of a program adjustment, an addendum will be published to inform eligible participants.

III. Participation and Eligibility

Participation and eligibility are determined by the MIP Compensation Committee at its sole discretion. No individual is automatically included in the MiMedx 2012 MIP. Only those individuals approved by the Compensation Committee and confirmed in writing are eligible. Verbal comments or promises to any employee or past practices are not binding on MiMedx or any of its divisions or subsidiaries in any manner.

Terminated Employees: If a participant terminates from the Company, the following guidelines will be used for all voluntary or involuntary terminations as well as terminations due to a Reduction in Force: Incentives are only earned by employees in good standing on the date payment is made. Participants terminating employment prior to the date of payment are not eligible for any incentive payment, regardless of the reason for termination of employment.

First Time Participants: New management employees hired or promoted into an eligible position will be able to begin participating in the MIP on the first day of the first full month in the eligible position. The Base Bonus will be prorated based on the number of months employed in the eligible position. No incentives will be earned or paid for new hires beginning employment after September 30, 2012.

Existing Participants: Participants who transfer during the period January 1, 2012 through December 31, 2012 from one MIP eligible position to another MIP eligible position, having either a higher or lower Base Bonus, will begin participating at the new MIP level on the first day of the first full month in the new position. The participant's Base Bonus will be prorated for the months employed in each eligible position.

Leave of Absence: Participants who have been on an approved leave of absence for medical or other reasons for greater than 60 cumulative days during the year will receive a prorated portion of their earned Base Bonus. The earned Base Bonus for participants on approved leaves of absence of less than 60 cumulative days will not be prorated based on the period of approved leave. Participants who have been on an approved leave of absence for medical or other reasons for greater than 120 cumulative days during the year will not be eligible to earn any amount of MIP for the year.

IV. Administration

The MIP Compensation Committee will be responsible for the methods of calculation and administration of the Plan. The Committee will be comprised of the Chairman & CEO; President & Chief Operating Officer; Chief Financial Officer; and Vice President Human Resources & Administration.

The Company may change the plan from time to time in any respect. All decisions made on behalf of the Company by the MiMedx Board of Directors or the MIP Compensation Committee relative to the plan are final and binding. The determination of compliance with the individual objectives established under the plan for an employee shall be made by the MIP Compensation Committee in its sole discretion.

V. Incentive Determination and Payment

The 2012 MIP provides for the determination of a Base Bonus expressed as a percentage of the participant's annual salary in effect at the end of the program period or the end of each respective period when a participant transfers from one MIP eligible position to another.

Participants approved for MIP participation as of January 1, 2012 are eligible for a full year's participation not subject to proration. All incentives earned under the MIP will be measured and paid annually.

Earned incentives are paid primarily in the form of cash compensation. However, at the sole discretion of the MiMedx Board of Directors, payment of earned incentives may be made in the form of equivalent value stock options and/or restricted stock, provided the total amount of the earned incentive paid in the form of cash compensation is no less than fifty percent (50%) of the total earned incentive amount.

VI. Method of Calculation

Each participant's incentive will be calculated based on the achievement of a financial target and individual objectives. The stated financial target will be 2012 Consolidated MiMedx Group Earnings Before Interest, Taxes, Depreciation, Amortization and Share Based Compensation Expense ("MiMedx EBITDA"). The individual objectives will be comprised of one or more key operational measures and/or major milestone outcomes that are specific to the participant's position and directly influenced by the participant's performance. Individual objectives must be approved by the Chairman & CEO and the President & COO. For all participants, other than the Chairman & CEO and the President & COO, seventy-five percent (75%) of the participant's full Base Bonus will be allocated to the MiMedx EBITDA component and twenty-five percent (25%) will be allocated to the individual objectives component. For the Chairman & CEO and the President & COO, eighty-five percent (85%) of the participant's full Base Bonus will be allocated to the MiMedx EBITDA component and fifteen percent (15%) will be allocated to the individual objectives component.

MIMEDX EBITDA COMPONENT

For purposes of calculating the earned amount of MIP allocated to MiMedx EBITDA performance and the individual objectives component, the total Base Bonuses of all eligible participants is referred to as the Base Bonus Pool. The MiMedx Board of Directors has established the percentage of the applicable Base Bonus that will be payable based on achievement of varying levels (Levels 1-9) of 2012 MiMedx EBITDA.

Level of MiMedx EBITDA	Percentage of MiMedx EBITDA Component Paid	Percentage of Objectives Component Paid
Level 1	0%	0%
Level 2	0%	50%
Level 3	25%	100%
Level 4	50%	100%
Level 5	60%	100%
Level 6	70%	100%
Level 7	85%	100%
Level 8	95%	100%
Level 9	100%	100%

Excess Bonus: If MiMedx EBITDA performance is greater than the level at which all Base Bonuses are funded (Level 9), the participant may earn an Excess Bonus. An Excess Bonus

Pool will be funded at the rate of $0.50 for each dollar of MiMedx EBITDA that is greater than the MiMedx EBITDA level at which all Base Bonuses are funded (Level 9). This Excess Bonus Pool will continue to be funded at this percentage from available excess MiMedx EBITDA until the maximum MIP amount is earned by each eligible participant in the pool. The Excess Bonus Pool is allocated among participants in proportion to their Base Bonus earned. The maximum MIP amount is equal to two (2) times the participant's Base Bonus.

As determined by the MiMedx Board of Directors in its sole discretion, a participant may be eligible to earn a portion of the participant's Base Bonus allocated to MiMedx EBITDA performance that may exceed the amount as calculated above provided the MiMedx EBITDA performance is favorable to a specific level set by the MiMedx Board of Directors (Level 3).

INDIVIDUAL OBJECTIVES COMPONENT

As described in the chart above, a minimum level of MiMedx EBITDA performance, as determined by the MiMedx Board of Directors, must be achieved before any incentive can be earned for individual objectives performance.

If one of the applicable MiMedx EBITDA thresholds for payment of incentive performance component is met, and all of the individual objectives are achieved, the participant may earn the applicable percentage of the Base Bonus amount allocated to the individual objectives component of the MIP. If some, but not all, of the individual objectives are attained, a partial amount of the Base Bonus allocated to the individual objectives component may be earned on a proportionate basis. For example, if two of three individual objectives were achieved and MiMedx EBITDA is at Level 3, the participant may earn 2/3 of the Base Bonus amount allocated to individual objectives. If no individual objectives are attained, no incentive is earned for this component of the MIP. For MiMedx EBITDA performance at Level 2, , the total amount of incentives earned for individual objectives performance for all participants may not exceed 50% of the individual objectives component of the Base Bonus Pool.

VII. Miscellaneous

Nothing in the MIP shall be deemed to constitute a contract for the continuance of employment of the participants or bring about a change of status of employment. Neither the action of the Company in establishing this program, nor any provisions hereof, nor any action taken by the Company shall be construed as giving any employee the right to be retained in the employ of the Company for any period of time, or to be employed in any particular position, or at any particular rate of remuneration.

Further, nothing contained herein shall in any manner inhibit the day-to-day conduct of the business of the Company and its subsidiaries, which shall remain within the sole discretion of management of the Company; nor shall any requirements imposed by management or resulting from the conduct of the business of the Company constitute an excuse for, or waiver from, compliance with any goal established under this plan.

No persons shall have any right, vested or contingent, or any claim whatsoever, to be granted any award or receive any payment hereunder, except payments of awards determined and payable in accordance with the specific provisions hereof or pursuant to a specific and properly approved agreement regarding the granting or payment of an award to a designated individual.

Neither this program, nor any payments pursuant to this program, shall affect, or have any application to, any of the Company's life insurance, disability insurance, PTO, medical or other related benefit plans, whether contributory or non-contributory on the part of the employee except as may be specifically provided by the terms of the benefit plan.

All payments pursuant to this program are in gross amounts less applicable withholdings.

MiMedx reserves the right to apply a participant's incentive payment against any outstanding obligations owing to the Company.

Exhibit 99.1

PRESS RELEASE Contact: Michael Senken

Phone: (678) 384-6720

MiMedx Group Announces 2011 Results

KENNESAW, Georgia, February 28, 2012 (PR Newswire) — MiMedx Group, Inc. (OTCBB: MDXG), an integrated developer, manufacturer and marketer of patent protected regenerative biomaterials and bioimplants processed from human amniotic membrane, announced today its results for the year ended December 31, 2011.

Full Year 2011 Results

The Company recorded record revenue for the year ended December 31, 2011, with revenue of $7.8 million, a tenfold increase over 2010 full year revenue of $789,000. The Company recorded a net loss of $10.2 million, or $0.14 per diluted common share, for the year ended December 31, 2011, a $1.2 million improvement as compared to the net loss of $11.4 million, or $0.19 per diluted common share, recorded for the year ended December 31, 2010. The earnings before interest, taxes, depreciation, amortization and share based compensation (Adjusted EBITDA*) for the year ended December 31, 2011, were a loss of $6.3 million, a $2.0 million improvement as compared to the Adjusted EBITDA loss of $8.3 million for the year ended December 31, 2010.

Cash on hand as of December 31, 2011, was $4.1 million, an increase of $2.8 million, as compared to $1.3 million, as of December 31, 2010. Stockholders' equity as of December 31, 2011, was $11.9 million, nearly a two-fold increase in stockholder's equity of $6.1 million as of December 31, 2010.

Management Commentary on 2011 Results

Parker H. "Pete" Petit, Chairman and CEO, stated, "We had a very successful year in growing our amniotic tissue allograft revenue. We acquired Surgical Biologics in early January of 2011, and through the integration of our new subsidiary into the MiMedx sales channels and distribution network, we grew the allograft revenue from approximately $1.7 million in 2010 to more than $7 million in 2011. However, as a result of some additional studies requested by the FDA, we did not receive clearance on our collagen fiber 510(k) submissions during the year. Consequently, our revenue fell short of our full year 2011 expectations. At the beginning of 2012, we did receive a European certificate to market the Company's proprietary CollaFix™ Surgical Mesh CD in the European Union. Despite our revenue being below expectations due to the clearance limitations on our HydroFix® and CollaFix™ technologies, we were successful during 2011 in making further reductions in the Company's expenses.

With our two amniotic tissue technology platforms, AmnioFix® and EpiFix®, we do have revenue sources that are relatively more predictable than in the past. In addition, our offerings from these two technologies give MiMedx a suite of product and tissue offerings that provide a market presence and potential in wound care, burn healing, soft tissue trauma, nerve and tendon repair, spinal applications and sports medicine."

“During the fourth quarter of the year, we secured the C-Code from the Centers for Medicare and Medicaid Services (CMS) for our EpiFix® allograft. This was a significant step in facilitating consistent and financially-adequate reimbursement through CMS for this high potential wound care allograft. This also lays the foundation for reimbursement from commercial health plans. To further our reimbursement effectiveness, we have already filed for the EpiFix® Q-code,” added Petit.

“During the year, we had modest success in receiving clearances for products from our HydroFix® technology platform. HydroFix® Vaso Shield was cleared by the FDA for additional thicknesses and sizes and our HydroFix® Ortho Shield product also received FDA 510(k) clearance during the year,” commented Bill Taylor, President and COO. “We have successfully consolidated all of our manufacturing and processing capacity to coincide with the expected production demand for our device offerings, and at the same time, enable acceleration of the production of our tissue allografts to meet the anticipated high growth in demand for those offerings. In addition to positioning our operations for rapid growth, our 2011 manufacturing consolidations have allowed us to reduce our annualized operating expenses by more than $1 million.”

The Company recently commenced its national launch of AmnioFix® Injectable and AmnioFix® Wrap tissue allografts. AmnioFix® is the second of the Company’s two tissue technology platforms, and has remarkable potential for numerous medical applications in the areas of soft tissue trauma, nerve and tendon repair, spinal applications and sports medicine.

In the second quarter of 2011, the Company successfully completed a $6 million private placement, and in December 2011, the Company completed another $5 million private placement. “While we will likely raise some additional funds during 2012, we are confident that the funds raised to date will be sufficient to see the Company through to its breakeven adjusted EBITDA point which could occur in the first quarter of 2012,” concluded Petit.

Outlook for 2012

The Company also reported its revenue goals for 2012. The Company’s revenue goal for the first quarter 2012 is $3.6 million, and its revenue goals for the second, third and fourth quarters of 2012 are $4.9 million, $6.4 million and $8.1 million, respectively. Assuming the revenue goals are met, the Company expects its Adjusted EBITDA to be positive for the first quarter and to continue to grow quarter over quarter for the balance of the year. There are a number of factors that are beyond the Company’s ability to influence; therefore, the above quarterly revenues are presented as goals, and not a forecast.

Earnings Call

MiMedx management will host a live broadcast of its year end 2011 conference call on Tuesday, February 28, 2012, beginning at 10:30 a.m. eastern time. A listen-only simulcast of the MiMedx Group conference call will be available online at the Company’s website at www.mimedx.com or at www.earnings.com. A 30-day online replay will be available approximately one hour following the conclusion of the live broadcast. The replay can also be found on the Company’s website at www.mimedx.com or at www.earnings.com.

About the Company

MiMedx® is an integrated developer, manufacturer and marketer of patent protected regenerative biomaterial products and bioimplants processed from human amniotic membrane. “***Innovations in***

Regenerative Biomaterials" is the framework behind our mission to give physicians products and tissues to help the body heal itself. Our biomaterial platform technologies include the device technologies HydroFix® and CollaFix™, and our tissue technologies, AmnioFix® and EpiFix®. Our tissue technologies, processed from the human amniotic membrane, utilize our proprietary Purion® process that was developed by our wholly-owned subsidiary, Surgical Biologics, to produce a safe, effective and minimally manipulated implant for homologous use. Surgical Biologics is the leading supplier of amniotic tissue, having supplied over 70,000 implants to date to distributors and OEMs for application in the Ophthalmic, Orthopedics, Spine, Wound Care and Dental sectors of healthcare.

Safe Harbor Statement

This press release includes statements that look forward in time or that express management's beliefs, expectations or hopes. Such statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, the predictability of revenues from AmnioFix® and EpiFix®; anticipated growth in demand for the Company's tissue offerings; the market opportunities in wound care, burn healing, soft tissue trauma, nerve and tendon repair; spinal applications and sports medicine; the extent to which the consolidation of the Company's manufacturing and processing capacity will enable acceleration of production of the Company's products; the impact of the EpiFix® C-Code (and Q-Code, if issued) in facilitating the reimbursement through CMS and on reimbursement from commercial health plans; the potential applications for the AmnioFix® Injectable and AmnioFix® Wrap tissue allografts; the expected timing for the Company to reach its EBITDA breakeven point; and the Company's financial expectations for 2012. These statements are based on current information and belief, and are not guarantees of future performance. Among the risks and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements include that the Company may not be successful in ramping up its production capabilities and capacity to serve the anticipated demand for its tissue offerings, that the anticipated demand for the Company's tissue offerings does not materialize as expected, that reimbursement for the Company's products is low or that a significant number of payors do not reimburse at all, that the numerous medical applications for AmnioFix® Injectable and AmnioFix® Wrap do not materialize, that the Company does not achieve its financial expectations for 2012, that to survive and achieve its goals the Company may require additional capital beyond the previous amounts raised, which may be difficult or impossible to obtain, the Company may not be able to achieve profitability, that the Company's products and services may not gain the anticipated acceptance in the marketplace or that acceptance may be delayed, and the risk factors detailed from time to time in the Company's periodic Securities and Exchange Commission filings, including, without limitation, its 10-K filing for the fiscal year ended December 31, 2010, and its most recent Form 10-Q. By making these forward-looking statements, the Company does not undertake to update them in any manner except as may be required by the Company's disclosure obligations in filings it makes with the Securities and Exchange Commission under the federal securities laws.

MIMEDX GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended December 31, 2011	2010
REVENUES:		
Net sales	$ 7,760,446	$ 544,155
Grant revenue	—	244,719
Total revenue	7,760,446	788,874
OPERATING COSTS AND EXPENSES:		
Cost of products sold	3,154,594	1,720,063
Research and development expenses	2,602,751	2,753,331
Selling, general and administrative expenses	11,764,117	6,848,135
LOSS FROM OPERATIONS	(9,761,016)	(10,532,655)
OTHER INCOME (EXPENSE), net		
Financing expense associated with warrants issued in connection with convertible promissory note	—	(287,449)
Interest (expense) income, net	(432,970)	(599,649)
LOSS BEFORE INCOME TAXES	(10,193,986)	(11,419,753)
Income taxes	—	—
NET LOSS	$(10,193,986)	$(11,419,753)
Net loss per common share		
Basic and diluted	$ (0.14)	$ (0.19)
Shares used in computing net loss per common share		
Basic and diluted	72,450,337	59,138,357

See notes to consolidated financial statements

MIMEDX GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,112,326	$ 1,340,922
Accounts receivable, net	1,891,919	162,376
Inventory, net	712,602	111,554
Prepaid expenses and other current assets	164,664	90,946
Total current assets	6,881,511	1,705,798
Property and equipment, net of accumulated depreciation of $1,891,575 and $1,392,704, respectively	869,411	756,956
Goodwill	4,040,443	857,597
Intangible assets, net of accumulated amortization of $3,468,515 and $2,132,606, respectively	15,090,485	3,929,394
Deposits and other long term assets	214,342	102,500
Total assets	$ 27,096,192	$ 7,352,245
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 2,300,638	$ 848,285
Convertible notes, plus accrued interest of $3,432	—	403,432
Deferred rent current	6,620	—
Convertible line of credit with related party, net of unamortized discount of $46,746 plus accrued interest of $42,726	1,295,980	—
Convertible debt, net of unamortized discount of $170,509 plus accrued interest of $49,315	1,128,806	—
Current portion of earn-out liability payable In MiMedx common stock	3,185,223	—
Total current liabilities	7,917,267	1,251,717
Earn-out liability payable in MiMedx common stock, net of current portion	4,225,280	—
Convertible Senior Secured Promissory Notes, net of unamortized discount of $2,263,145 plus accrued interest of $7,732	2,744,587	—
Other liabilities	312,493	—
Total liabilities	15,199,627	1,251,717
Commitments and contingency (Note 14)	—	—
Stockholders' equity:		
Preferred stock; $.001 par value; 5,000,000 shares authorized and 0 shares issued and outstanding	—	—
Common stock; $.001 par value; 100,000,000 shares authorized; 74,306,895 issued and 74,256,895 outstanding for 2011 and 64,381,910 issued and 64,331,910 outstanding for 2010	74,307	64,382
Additional paid-in capital	73,868,604	57,888,506
Treasury stock (50,000 shares at cost)	(25,000)	(25,000)
Accumulated deficit	(62,021,346)	(51,827,360)
Total stockholders' equity	11,896,565	6,100,528
Total liabilities and stockholders' equity	$ 27,096,192	$ 7,352,245

See notes to consolidated financial statements

MiMedx Group, Inc. and Subsidiaries

Non-GAAP Financial Measures and Reconciliation

As used herein, "GAAP", refers to generally accepted accounting principles in the United States. We use various numerical measures in conference calls, investor meetings and other forums which are or may be considered "Non-GAAP financial measures" under Regulation G. We have provided below for your reference, supplemental financial disclosure for these measures, including the most directly comparable GAAP measure and an associated reconciliation.

Reconciliation of Net Loss to "Adjusted EBITDA" defined as Earnings before Interest, Taxes, Depreciation, Amortization and Share Based Compensation:

	Year Ended December 31, 2011	Year Ended December 31, 2010
Net Loss (Per GAAP)	$(10,193,986)	$(11,419,756)
Add back:		
Income Taxes	—	—
Financing (expense) associated with warrants issued in connection with convertible promissory note	—	(595,679)
Financing (expense) associated with beneficial conversion of hybrid debt instrument	—	(287,449)
Financing (expense) associated with beneficial conversion of note payable issued in conjunction with acquisition	(266,991)	—
Financing (expense) associated with beneficial conversion of Line of Credit with Related Party	(33,254)	—
Financing (expense) associated with beneficial conversion of Senior Secured Promissory Notes	(14,907)	—
Other interest (exp)/inc., net	(117,818)	(3,970)
Depreciation Expense	446,502	444,259
Amortization Expense	1,335,908	667,932
Employee Share Based Compensation	1,307,868	996,307
Other Share Based Compensation	351,214	174,354
Loss Before Interest, Taxes, Depreciation, Amortization and Share Based Compensation	$ (6,319,524)	$ (8,249,806)