# Biofrontera AG

**("Biofrontera" or "the Company")**

## Half Year Results
## Progress in business operations

Leverkusen, 29 August 2014 - Biofrontera AG (FSE/AIM:B8F), the specialist in sun-induced skin cancer, presents its consolidated financial unaudited results for the first half of 2014. The published half-yearly report, available on the company's website with immediate effect, addresses, in particular, the clinical development activities relevant to Biofrontera's skin cancer medication Ameluz®, which is already approved for use in Europe, and the preparations for the approval process in the USA. Furthermore, national and international sales activities are highlighted.

### Summary

- **Significant progress in business operations: clinical trials and preparation for the USA approval are proceeding according to schedule.**
- **21% increase in sales in Germany**
- **Further licensing agreements concluded**
- **Foreign sales remain lower than expected and accordingly turnover for 2014 could be lower than predicted**
- **As at 30 June 2014, cash and cash equivalents amounted to EUR 12.0m**

Commenting, Prof. Hermann Lübbert, Chief Executive Officer, said:
"With the results of the ongoing Phase III trial on field therapy of actinic keratosis and the final hearing date at the US approval authority (FDA) prior to the submission of approval documents, two key milestones for further business development are pending in the second half of 2014.

Patient recruitment for the clinical trial on the effect of Ameluz® in the treatment of basal cell carcinoma should be completed in the fourth quarter. The submission of the approval dossier in the US is now envisaged for the end of the first quarter of 2015. The approval is expected to be issued about one year later."

### Enquiries


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### Notes to Editors:

**Biofrontera AG** (AIM/FSE: B8F, ISIN DE0006046113) is a biopharmaceutical company specialising in the development and distribution of dermatological drugs and medical cosmetics for the treatment and care of skin diseases. Biofrontera's main product is **Ameluz®,** a prescription drug approved for use in Europe for the treatment of mild to moderate Actinic

Keratosis (superficial skin cancer) by photodynamic therapy (light therapy). Biofrontera is the first small German pharmaceutical company to receive a centralized approval for a drug developed in-house. The Company is looking to further develop Ameluz® for use in Basal Cell Carcinoma and is currently progressing through regulatory approvals to sell the product in other territories, in particular the largest pharmaceutical market, the USA.

In addition, the Company markets the **Belixos®** cosmetic series with plant extracts, currently available in cream and liquid formulations which offer nurturing and regenerating effects for people suffering from pruritus, dry skin or chronic ailments such as eczema or psoriasis.

Biofrontera group was founded in 1997 by Prof Dr. Hermann Lübbert, the CEO, and is headquartered in Leverkusen, Germany.

## Development of financial indicators in the first half of 2014

Biofrontera recorded sales in the first half of 2014 of EUR 1,217 thousand (previous year: EUR 1,385 thousand). In comparison with the first half of 2013, sales in Germany increased by 21%. Wholesale sales to pharmacies, indicative of market development, increased by 27%. Biofrontera is therefore confident of achieving the planned increase in revenues of approx. 30% in the domestic market by the end of the financial year. Sales performance was, however, disappointing in other European countries. In the first half of 2014, smaller quantities were delivered to our European licensing partners, on the whole, than in the comparable period last year. This indicates that the positioning of Ameluz® remains challenging although we expect much better market penetration once Ameluz is approved for the treatment of basal cell carcinoma in addition to the treatment of actinic keratoses as is currently the case. The clinical phase III trial started for this purpose is proceeding according to schedule.

Research and development costs relating to the preparation for approval in the USA and the extension of the range of indications increased to EUR 2,063 thousand in the first half of 2014 from EUR 1,164 thousand in the same period of the previous year. Sales and General Administration costs also rose from EUR 2,666 thousand to EUR 3,748 thousand for the same period. The loss before taxes amounted to EUR 5,413 thousand accordingly, following EUR 3,698 thousand in the previous year.

As of 30 June 2014, Biofrontera employed 39 employees, in comparison with 37 employees as of 30 June 2013.

As at 30 June 2014, cash and cash equivalents amounted to EUR 12,019 thousand.

## Review of the first half of 2014

In addition to the expansion of sales activities in Europe, Biofrontera is currently pursuing approval in the USA and the extension of the range of indications to include basal cell carcinoma as its most important strategic objectives. Four clinical trials are being carried out in relation to these objectives. The clinical phases are complete in three trials and the results are expected shortly. In the trial for basal cell carcinoma, in which Ameluz® is being compared with a competitor drug, patients have already been recruited in 27 centers in Germany and Great Britain since February.

In January 2014, Biofrontera concluded a licensing agreement with Perrigo Israel Agencies LTD for the approval and sale of the drug Ameluz® and the PDT lamp BF-RhodoLED® in Israel. Since then Perrigo has submitted the Ameluz® approval dossier to the Israeli Ministry of Health (IMOH) and has thus initiated the approval process and the pricing process at the same time. In May 2014, a similar licensing agreement was concluded for Switzerland and Liechtenstein with Louis Widmer SA. Here again the approval preparations have nearly been completed.

In a pre-emptive rights offering in February 2014, all shareholders were given the opportunity to subscribe for new shares, with the possibility of an additional subscription. In the process, 4,438,292 new shares offered were successfully placed at EUR 3.50. The proceeds from the issue of shares amounted to EUR 15.3 million, of which EUR 10 million was subscribed by Maruho Deutschland GmbH. The Maruho Group, which is the largest Japanese dermatological

company, has, with this additional investment, sent a clear signal that it considers this holding to be of strategic importance. We continue to have very constructive dialogue with Maruho on various projects , both in terms of sales and distribution as well as development.

**Outlook for the second half of 2014**

With the results of the ongoing Phase III trial on broad area therapy of actinic keratosis and the final hearing date at the US approval authority (FDA) prior to the submission of approval documents, two key milestones for further business development are pending in the second half of 2014. Patient recruitment for the clinical trial on the effect of Ameluz® in the treatment of basal cell carcinoma should be completed in the fourth quarter. The submission of the approval dossier in the US is now envisaged for the end of the first quarter of 2015. The approval is expected to be issued about one year later.

Although it is once again possible to significantly increase sales in Germany in 2014 compared to the previous year by approx. 30%, the predicted sales revenues in 2015 may fall short of the expected EUR 5-6 million overall. In addition to the slower than expected revenue increase in other European countries, this is due to the fact that a planned licensing agreement associated with a large down-payment for further European countries will be unlikely in the current year. Achievement of our revenue expectations for the full year will therefore be dependent on the successful conclusion of a contract with a US-based distribution partner in respect of which Biofrontera would anticipate a large down-payment. The probability that this may still be implemented this year, cannot currently yet be estimated.

www.biofrontera.com

**Consolidated statement of comprehensive income for the first half of 2014**

| in EUR | 1 January - 30 June 2014 | 1 January - 30 June 2013 |
|---|---|---|
| Sales revenue | 1,216,529.60 | 1,385,150.17 |
| Cost of sales | (348,231.35) | (903,262.06) |
| Gross profit from sales | 868,298.25 | 481,888.11 |
| Operating expenses: | | |
| Research and development costs | (2,063,034.48) | (1,163,519.52) |
| General administrative costs | (3,748,004.54) | (2,666,377.57) |
| | (5,811,039.02) | (3,829,897.09) |
| Loss from operations | (4,942,740.77) | (3,348,008.98) |
| Other income (expenses): | | |
| Financial result | (561,070.31) | (617,914.71) |
| Other income (expenses), net | 91,221.30 | 268,113.95 |
| | (469,849.01) | (349,800.76) |
| Profit/loss before income tax | (5,412,589.78) | (3,697,809.74) |
| Income tax | 6,124.00 | 0.00 |
| Profit or loss for the period | (5,418,713.78) | (3,697,809.74) |
| | | |
| Expenses and income not included in profit/loss | | |
| Subsequent valuation of financial assets available for sale | 0.00 | 0.00 |
| Other expenses and income not included in profit/loss | 0.00 | 0.00 |
| Total result for the period | (5,418,713.78) | (3,697,809.74) |
| | | |
| Undiluted (= diluted) earnings per share | (0.25) | (0.22) |

**Consolidated balance sheet as at 30 June 2014**

**Assets**

| in EUR | 30 June 2014 | 31 Dec 2013 |
|---|---|---|
| Non-current assets | | |
| Tangible assets | 392,797.60 | 467,323.63 |
| Intangible assets | 2,904,997.67 | 3,202,208.62 |
| | 3,297,795.27 | 3,669,532.25 |
| Current assets | | |
| Current assets | | |
| Trade receivables | 169,710.75 | 578,410.60 |
| Other financial assets | 1,021,172.42 | 767,224.80 |
| Cash and cash equivalents | 12,019,252.43 | 2,933,578.47 |
| | 13,210,135.60 | 4,279,213.87 |
| Other current assets | | |
| Inventories | | |
| Raw materials and supplies | 655,523.51 | 819,912.99 |
| Unfinished products | 425,346.66 | 141,723.44 |
| Finished products and merchandise | 503,480.70 | 623,559.71 |
| Income tax reimbursement claims | 21,302.37 | 22,280.71 |
| Other assets | 61,036.83 | 80,908.61 |
| | 1,666,690.07 | 1,688,385.46 |
| | 14,876,825.67 | 5,967,599.33 |
| Total assets | 18,174,620.94 | 9,637,131.58 |

**Liabilities**

| in EUR | 30 June 2014 | 31 Dec 2013 |
|---|---|---|
| Equity | | |
| Subscribed capital | 22,196,570.00 | 17,753,168.00 |
| Capital reserve | 76,344,486.86 | 65,598,778.57 |
| Loss carried forward | (87,899,306.51) | (79,832,687.98) |
| Net loss for the year | (5,418,713.78) | (8,066,618.53) |
| | 5,223,036.57 | (4,547,359.94) |
| Long-term liabilities | | |
| Long-term financial liabilities | 10,889,383.86 | 12,030,950.38 |
| Current liabilities | | |
| Current financial liabilities | | |
| Trade payables | 534,586.95 | 713,098.17 |
| Short-term financial debt | 415,087.14 | 435,750.00 |
| Other financial liabilities | 21.465,57 | 22,608.18 |
| | 971,139.66 | 1,171,456.35 |
| Other current liabilities | | |
| Income tax provisions | 0.00 | 11,863.00 |
| Other provisions | 1,007,220.08 | 879,226.67 |
| Other current liabilities | 83,840.77 | 90,995.12 |
| | 1,091,060.85 | 982,084.79 |
| | 2,062,200.51 | 2,153,541.14 |
| Total liabilities | 18,174,620.94 | 9,637,131.58 |

**Consolidated cash flow statement for the first half of 2014**

| | 1 January - 30 June 2014 | 1 January - 30 June 2013 |
|---|---|---|
| | EUR | EUR |
| Cash flows from operations | | |
| Total result for the period | (5,418,713.78) | (3,697,809.74) |
| Adjustments to reconcile net profit or loss for the period with cash flow into operations: | | |
| Financial result | 561,070.31 | 617,914.71 |
| Depreciation | 409,484.90 | 360,503.20 |
| (Gains) / losses on disposal of assets | 2,632.00 | 0.00 |
| Non-cash expenses and income | (115,901.87) | (587,740.77) |
| Changes in operating assets and liabilities: | | |
| Trade receivables | 408,699.85 | (78,357.04) |
| Other assets and income tax assets | (233,097.50) | (223,644.32) |
| Inventories | 845.27 | (421,158.84) |
| Trade payables | (178,511.22) | (161,060.18) |
| Provisions | 176,574.53 | (221,844.34) |
| Other liabilities | (8,296.96) | 16,132.54 |
| Net cash flow into operations: | (4,395,214.47) | (4,397,064.78) |
| Cash flows from investment activities: | | |
| Purchase of intangible and tangible assets | (85,524.50) | (125,556.99) |
| Interest received | 3,326.11 | 7,985.39 |
| Revenue from the sale of intangible and tangible assets | 45,144.58 | 0.00 |
| Net cash flow from (into) investment activities | (37,053.81) | (117,571.60) |
| Cash flows from financing activities: | | |
| Proceeds from the issue of shares | 15,333,626.29 | 7,607,034.75 |
| Payouts from the repurchase of own warrant bonds | (199,038.00) | 0.00 |
| Interest paid | (454,416.67) | (435,756.83) |
| Increase / (decrease) in long-term financial debt | (1,141,566.52) | 631,540.86 |
| Increase / (decrease) in short-term financial debt | (20,662.86) | 415,087.14 |
| Net cash flow from financing activities | 13,517,942.24 | 8,217,905.92 |
| Net increase (decrease) in cash and cash equivalents | 9,085,673.96 | 3,703,269.54 |
| Cash and cash equivalents at beginning of period | 2,933,578.47 | 3,366,232.58 |
| Cash and cash equivalents at end of period | 12,019,252.43 | 7,069,502.12 |
| Composition of financial resources at end of period: | | |
| Cash and bank balances and cheques | 12,019,252.43 | 7,069,502.12 |

**Consolidated statement of changes in equity for the first half of 2014**

[1] including increases in the capital reserve as a result of the 2010 stock option programme, by EUR 54,522 in the first half of 2014, and by EUR 38,152.50 in the first half of 2013.

| | Ordinary shares Number | Subscribed capital EUR | Capital reserve EUR | Accumulated loss EUR | Total EUR |
|---|---|---|---|---|---|
| Account balance at 31 December 2012 | 16,143,168 | 16,143,168.00 | 59,595,506.32 | (79,832,687.98) | (4,094,013.66) |
| Capital increase[1] | 1,610,000 | 1,610,000.00 | 5,962,952.50 | 0.00 | 7,572,952.50 |
| Cost of capital procurement | 0 | 0.00 | (8,798.25) | 0.00 | (8,798.25) |
| Changes in the capital reserve associated with the sale of own Warrant Bonds I and II | 0 | 0.00 | 81,551.00 | 0.00 | 81,551.00 |
| Changes in the capital reserve resulting from transaction costs in connection with the sale of own Warrant Bonds I and II | 0 | 0.00 | (518.00) | 0.00 | (518.00) |
| Net loss | 0 | 0.00 | 0.00 | (3,697,809.74) | (3,697,809.74) |
| Account balance on 30 June 2013 | 17,753,168 | 17,753,168.00 | 65,630,693.57 | (83,530,497.72) | (146,636.15) |
| Capital increase[1)] | 0 | 0.00 | 50,223.50 | 0.00 | 50,223.50 |
| Cost of capital procurement | 0 | 0.00 | (82,138.50) | 0.00 | (82,138.50) |
| Changes in the capital reserve associated with the sale of own Warrant Bonds I and II | 0 | 0.00 | 0.00 | 0.00 | 0.00 |
| Changes in the capital reserve resulting from transaction costs in connection with the sale / repurchase of own Warrant Bonds I and II | 0 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net loss for the year | 0 | 0.00 | 0.00 | (4,368,808.79) | (4,368,808.79) |
| **Account balance on 31 December 2013** | **17,753,168** | **17,753,168.00** | **65,598,778.57** | **(87,899,306.51)** | **(4,547,359.94)** |
| Capital increase[1)] | 4,443,402 | 4,443,402.00 | 11,160,472.00 | 0.00 | 15,603,874.00 |
| Cost of capital procurement | 0 | 0.00 | (215,725.71) | 0.00 | (215,725.71) |
| Changes in the capital reserve associated with the repurchase of own Warrant Bonds I | 0 | 0.00 | (198,939.00) | 0.00 | (198,939.00) |
| Changes in the capital reserve resulting from transaction costs in connection with the repurchase of own Warrant Bonds I | 0 | 0.00 | (99.00) | 0.00 | (99.00) |
| Net loss for the year | 0 | 0.00 | 0.00 | (5,418,713.78) | (5,418,713.78) |
| **Account balance on 30 June 2014** | **22,196,570** | **22,196,570.00** | **76,344,486.86** | **(93,318,020.29)** | **5,223,036.57** |

# Selected notes on the consolidated interim financial statement as at 30 June 2014

## 1. Information about the company

Biofrontera AG (www.biofrontera.com), with its head office at Hemmelrather Weg 201, 51377 Leverkusen, Germany, registered in the Commercial Register of Cologne District Court, Department B under no. 49717, and its wholly-owned subsidiaries Biofrontera Bioscience GmbH, Biofrontera Pharma GmbH, Biofrontera Development GmbH and Biofrontera Neuroscience GmbH, research, develop and market dermatological products. The main focus is on the discovery, development and distribution of dermatological drugs and dermatologically-tested cosmetics for the treatment and care of diseased skin. Biofrontera AG (hereinafter also the "company") pursues this goal along with its subsidiaries. All the companies together form the “Biofrontera Group”.

The Biofrontera Group was the first German startup company to receive a centralised European drug approval for an independently developed drug, Ameluz®. In December 2011, Ameluz® was approved for the treatment of mild and moderate actinic keratosis. Two further clinical development projects, one dermatological project and one for the prevention of migraines, are in the pipeline but are not being actively pursued at the present time. In addition, a range of cosmetic products is to be expanded; the first product in this range, Belixos®, was launched in the autumn of 2009. In early 2014, a Belixos® hair tonic was launched, and a Belixos® gel is to be launched during 2014.

The product Ameluz® (development name BF-200 ALA), which was approved at the end of 2011, has been tested in one phase II and two phase III clinical trials for the treatment of actinic keratosis. Ameluz® is a combination of the active agent, aminolevulinic acid (ALA), and a nanoemulsion (BF-200), which gives ALA chemical stability and enables it to penetrate the skin effectively. The clinical results regarding the treatment of actinic keratosis have shown its clear superiority to the competitor product against which it was compared in the phase III trials. An application for centralised European approval was submitted on 1 September 2010, and this approval was granted by the European Commission on 16 December 2011. Ameluz® has been sold in Germany since February 2012 and in several other European countries since autumn 2012.

In November 2012, Biofrontera's BF-RhodoLED® PDT lamp received pan-European approval for use as a medical device and has since been sold in parallel with Ameluz®.

The project BF-derm1 is not currently being actively developed, but it has been tested in a three-part phase II trial for the treatment of chronic, antihistamine-resistant urticaria (hives). The trial demonstrated the good effect of the drug, which reduced the intensity of urticaria rashes and itching, as well as reducing the amount of drowsiness-inducing antihistamines required by patients.

The third project (BF-1) is an innovative substance that is intended to be used for migraine prophylaxis. The substance was administered to healthy subjects for the first time towards the end of 2006, by intravenous injection and in tablet form. The company received the results of this trial in early 2007. They show that the substance is almost completely absorbed in the gut, and that it takes around two days for 50% of the substance to be broken down or excreted. These results are an excellent starting

point for developing the substance to be administered in tablet form. As this project has huge market potential but is not related to the field of dermatology, it is to be licensed out for further development at the latest at the end of the phase II clinical trials.

The intention is to finance the development of both BF-derm1 and BF-1 independently of Biofrontera's normal budget, using funds that are specifically sought for and directly allocated to the development of these products. For this reason, both projects were acquired from Biofrontera AG and allocated as a partner's investment to the two newly-founded subsidiaries, Biofrontera Development GmbH and Biofrontera Neuroscience GmbH, in December 2012. The product BF-derm1, which is intended for the treatment of severe chronic urticaria, is now the responsibility of Biofrontera Development GmbH, while the product BF-1, which is intended for the prophylactic treatment of migraines, is the responsibility of Biofrontera Neuroscience GmbH. This outsourcing of development candidates has created a structure through which the financing of the further development of these two products can be uncoupled from the normal group financing. As a result, the short-term financial plans can focus on the market launch of Ameluz® in North America and the extension of its range of indications, as well as the establishment of the group as a specialist pharmaceutical company.

## 2. Accounting and valuation principles

Pursuant to the provisions of section 37y of the German Securities Trading Act (Wertpapierhandelsgesetz - WpHG) in conjunction with section 37w WpHG, the half-yearly financial report comprises an abridged consolidated interim financial statement, a consolidated interim management report, and an affidavit of the legal representatives that corresponds to the specifications of section 297(2) sentence 3 and section 315(1) sentence 6 of the German Commercial Code (HGB).

The half-yearly financial statement of Biofrontera AG from 1 January 2014 to 30 June 2014 has been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) for "Interim Financial Reporting" pursuant to IAS 34, as applicable in the European Union. In the opinion of the Management Board, the audited half-yearly financial statements include all the business transactions that are necessary for the presentation of the financial position, cash flows and results of operations for the periods ending on 30 June 2014 and 2013.

These interim financial statements do not include all the information and data that is required to prepare annual financial statements. The interim financial statements should therefore be read in conjunction with the consolidated financial statements for 2013.

In the context of the preparation of the consolidated interim financial statements, the Management Board has to make estimates and assumptions that influence the use of accounting principles in the Group and the disclosure of the assets and liabilities as well as of the income and expenses. The actual amounts may deviate from these estimates. The results achieved in the first half of the 2014 financial year do not permit any forecasts to be made concerning the further progress of business performance.

Concerning the accounting, valuation and consolidation principles used in the preparation of the consolidated interim financial statement of Biofrontera AG, which are essentially unchanged, and the information on the companies included in the consolidated statement, please refer to the notes to the consolidated financial statement of 31 December 2013. Costs of capital procurement offset against equity are presented in the consolidated statement of changes in equity.

The consolidated interim financial statements do not contain any segment information, as no business or geographical segments subject to reporting requirements have been identified.

Due to the special importance of the research and development costs, these are shown as a separate section in the profit and loss account.
This interim financial statement of Biofrontera AG was approved for publication by resolution of the Management Board in August 2014.

## 3. Deferred taxes

As at 30 June 2014, the company has a considerable amount of tax loss carryforwards.
In accordance with the tax regulations applicable in Germany, these tax loss carryforwards are non-forfeitable and can be offset against the future taxable profits of the company.
The existing tax loss carryforwards were assessed as legally binding in the tax audit in the first half of 2008 and in the final assessment up to the 2003 assessment period. In addition, another audit was conducted for the years from 2003 to 2009 and the existing tax loss carryforwards were also assessed as legally binding.
Nevertheless, no deferred tax assets from temporary differences or from tax loss carryforwards have been recognised in the balance sheet. This decision has been taken against the background that, from the current perspective, the Management Board still does not regard it as certain that the deferred tax claims can be realised in the next few years.
In accordance with IAS 12.34, the recognition of the deferred tax claims has therefore been dispensed with.

## 4. Employee stock option programme 2010

In order not to be at a disadvantage in the future regarding staff recruitment and retention, the company must continue to be able to offer share and/or securities-based remuneration. Moreover, in accordance with the German act concerning the appropriateness of management board remuneration, such schemes must be linked to the long-term success of the company. As the stock option programme approved by the Annual General Meeting of the company on 24 May 2007 could not be used, the Annual General Meeting held on 2 July 2010 granted the Management Board and Supervisory Board the authorisation to issue, within the next 5 years, up to 839,500 options to directors and employees. Further provisions governing this action were specified in the invitation to the Annual General Meeting and are available on the company's website. The issue of a first tranche of these options is described in the consolidated financial statements of 31 December 2010. The second tranche took place in the 2011 calendar year and is noted in the consolidated financial statements of 31 December 2011. A further 116,500 option rights (third tranche) were issued in the first half of 2012 at an exercise price of EUR 3.30 or EUR 4.09 each. On 2 September 2013, 179,500 options (fourth tranche) were issued with an exercise price of EUR 3.373. In a further tranche (fifth tranche), on 2 April 2014 159,350 options were issued with an exercise price of EUR 3.43 each. On account of the vesting period involved, none of these can be exercised or have lapsed as yet. There were therefore still 181,350 options outstanding on 30 June 2014. In the period under review, the expenditure booked was EUR 55 thousand (30 June 2013: EUR 38 thousand).

## 5. Shares / earnings per share

The earnings per share are calculated in accordance with IAS 33 on the basis of the half-yearly results of the Biofrontera Group as well as on the basis of the ordinary shares outstanding during the relevant periods in 2014 and 2013.

| | 1st half-year as at 30 June 2014 | 1st half-year as at 30 June 2013 |
|---|---|---|
| Ordinary shares | 22,196,570.00 | 17,753,168.00 |
| Net loss for the year in EUR | (5,418,713.78) | (3,697,809.74) |
| Earnings per share in EUR, related to net loss for the year | (0.25) | (0.22) |

The increase in the number of shares in comparison with the previous year can be attributed to a capital increase from authorised capital. The subscribed capital was increased on 6 February by 4,438,292 shares (cf. ad hoc announcements of 4 February 2014). A further capital increase was implemented on the basis of the conditional increase in the share capital resolved on 10 May 2011. Subscription shares from the exercise of warrants from the 2011/2016 warrant bond were issued with a nominal value of EUR 5,110 and registered in the commercial register on 13 March 2014.

## 6. Notes on repurchases of bonds

As a result of the repurchase of 15,000 warrant bonds I (2009/2017) of Biofrontera AG at a price of EUR 100 per unit, the fees paid and the transaction costs for the repurchase are to be allocated in accordance with IFRS to the borrowed capital and equity capital components at the time of the transaction. Taking the transaction costs into consideration, the borrowed capital component was reduced by EUR 1,301 thousand and the equity capital component was reduced by EUR 199 thousand in this process.

## 7. Significant events since the interim balance sheet date

The licensee, Perrigo Company plc, submitted the Ameluz® approval dossier to the Israeli Ministry of Health (IMOH) in August 2014. After a provisional review, the IMOH has accepted Ameluz® for registration and has issued a provisional registration number, whereby the full approval process can begin.

As announced on 21 August 2014, the Management Board of Biofrontera AG has filed action for negative declaratory relief against a former supplier.