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Biofrontera AG
("Biofrontera" or the "Company")

Open Offer and Private Placement

Leverkusen, 27 October 2015 - Biofrontera AG (AIM/FSE: B8F), the biopharmaceutical company focusing on sun-induced skin cancer, announces that it proposes, pursuant to existing authorities, to raise equity finance, by way an Open Offer and Private Placement pursuant to which 5,893,460 new no-par registered shares ("**New Shares**") will be offered to Qualifying Shareholders on the basis of 1 New Share for every 4 existing ordinary shares held, at a subscription price that is expected to be determined on 5 November 2015 ("**Subscription Price**") per New Share (the "**Subscription Offer**").

The Subscription Price will be determined with reference to the volume-weighted average price on the electronic trading system XETRA on the Frankfurt Stock Exchange in in the period from the beginning of the Subscription Period on 28 October 2015 until close of trading on 4 November 2015, less a discount to be determined by the Company. The Subscription Price will not exceed EUR 2.50.

Shareholders on the Company's register at close of business on 27 October 2015 ("**Qualifying Shareholders**") will be able to subscribe for shares during the subscription period that will run from 28 October 2015 to and include 10 November 2015.

Qualifying Shareholders subscribing for their full entitlement under the Subscription Offer will also be able to request additional New Shares through an excess application facility. To the extent that pro-rata entitlements to New Shares are not subscribed for by Qualifying Shareholders, such shares will be available to satisfy such excess applications and allocations will be made according to the appropriate statutory rules. Excess applications will be scaled back such that the maximum number of New Shares issued in the Subscription Offer will not exceed 5,893,460.

Any New Shares not acquired by subscription or over-subscription will be eligible to be placed in a private placement. The offer period for the private placement shall end no later than 23 November 2015.

Net proceeds of the Subscription Offer will be used by Biofrontera for general working capital purposes, including clinical studies currently ongoing or under preparation to secure the future business extension of Ameluz®, as well as to build up a sales, marketing and operational infrastructure for the distribution of Ameluz® in the USA.

Potential investors are advised to read the prospectus published by the Company regarding the offer dated 27 October 2015, in particular the risk factors described therein, and the current reports, before executing their subscription rights, requesting additional subscription or purchasing shares. Further details on the Subscription Offer will be published in the Federal Gazette in Germany, announced through RNS, and also available on the Company's website along with the prospectus at www.biofrontera.com on 27 October 2015.

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Background:

Biofrontera Group (FSE/AIM: B8F, ISIN DE0006046113) is a biopharmaceutical company specialising in the development, sale and distribution of drugs and medical cosmetics for the care and treatment of skin diseases. Biofrontera's most important product is **Ameluz**[®], a prescription drug which is approved in Europe for the treatment of mild and moderate actinic keratosis (superficial skin cancer) with photodynamic therapy (light therapy). Biofrontera is the first German pharmaceutical start-up company to obtain centralised approval for a drug it has developed itself. The company also plans for Ameluz[®] to be approved for basal cell carcinoma and is currently preparing for approval in other countries, especially in the largest pharmaceutical market in the world, the United States.

The company also markets the Belixos[®] dermatological range of cosmetics. Belixos[®] products, a cream, a gel and a scalp tonic, contain combinations of active substances extracted from plants, relieve itching and redness and are used for the regenerative care of chronic skin conditions such as atopic dermatitis or psoriasis. The Belixos[®] Protect, a daily skincare for sun-damaged skin, complements this dermo-cosmetic line. All products are available through Amazon.

The Biofrontera Group was established in 1997 by Prof. Dr Hermann Lübbert, the Chairman of the company's Management Board, and has its headquarters in Leverkusen, Germany.

www.biofrontera.com

This communication expressly or implicitly contains certain forward-looking statements concerning the business activities of Biofrontera AG. These forward-looking statements reflect the opinion of Biofrontera at the time of this communication and involve certain known and unknown risks. The actual results achieved by Biofrontera may differ significantly from future results or performances which are published in its forward-looking statements. Biofrontera assumes no responsibility to update its forward-looking statements.