

Ad hoc release

Ad-hoc Release pursuant to Art. 17 MAR

Biofrontera AG enters into exclusive license agreement with Maruho Co., Ltd.

Leverkusen, Germany, April 20, 2020 – Biofrontera AG (NASDAQ: BFRA; Frankfurt Stock Exchange: B8F) (“Biofrontera” or the “Company”), an international biopharmaceutical company, has signed today an exclusive license agreement (the "Agreement") with Maruho Co, Ltd, Osaka, Japan ("Maruho") for the development and commercialization of Ameluz® for all indications in East Asia and Oceania, based on the term sheet agreed on March 3, 2020 (see ad hoc release of March 3, 2020).

Under the terms of the Agreement, Maruho will obtain exclusive development and commercialization rights including the right to sublicense for Ameluz® in Japan, China, Korea, India, Pakistan, Vietnam, the Philippines, Australia, New Zealand as well as the surrounding countries and islands (the “Territory”).

Maruho is, with the consent of Biofrontera, entitled to carry out its own research and development within the scope of the license. Maruho will grant to Biofrontera a free and unlimited license for the results of such research and development activities for commercialization outside the Territory.

Under the terms of the Agreement, Biofrontera will supply Ameluz® to Maruho at cost plus 25%, while Maruho has an obligation for commercially reasonable efforts to develop, approve and market Ameluz® in all countries of the Territory.

Maruho will make an upfront payment to Biofrontera AG in the amount of EUR 6 million, which is due immediately, plus additional future payments subject to achievement of certain regulatory and sales milestones. Maruho will also make royalty payments at an initial rate of 6% of net sales in the countries of the Territory, which will increase depending on sales volume

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and will be reduced should generic products become available in the respective countries.

Maruho indirectly holds more than 20% of the shares of Biofrontera AG and is therefore a related party of Biofrontera AG within the meaning of Section 111a (1) of the German Stock Corporation Act. On February 27, 2020, Biofrontera AG obtained an independent expert assessment of the economic feasibility of the outlined terms. The findings confirm the adequacy of the terms and conditions of the Agreement. The Supervisory Board of Biofrontera AG has approved the Agreement.

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