Biofrontera Inc. Announces Exercise of Existing Warrants and Issuance of Warrants in Private Placement

WOBURN, Mass., July 27, 2022 (GLOBE NEWSWIRE) — Biofrontera Inc. (Nasdaq: BFRI), a biopharmaceutical company specializing in the commercialization of dermatological products, announced today it has entered into agreements with certain of its holders of its existing warrants for 2,857,143 shares of its common stock, in the aggregate. Pursuant to the agreement such holders will promptly exercise their warrants in full, in accordance with their terms, including any beneficial ownership limitations. In return, the strike price was reduced by the Company from $5.25 to $1.62 per share and the Company agreed to issue in a private placement pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), new warrants to purchase up to 4,285,715 shares of its common stock. The new warrants have a strike price of $1.66 per share of common stock and will be exercisable six months from the date of issuance. The aggregate gross proceeds from the exercise of the existing warrants and the issuance of the new warrants are expected to total approximately $4.69 million, before deducting the financial advisory fees.

The securities offered in the private placement have not been registered under the Securities Act or applicable state securities laws. Accordingly, the securities may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Securities Act and such applicable state securities laws. As part of the transaction, the Company has agreed to file a registration statement on Form S-1 with the Securities and Exchange Commission within 30 days of the closing to register the resale of the shares of common stock underlying the warrants issued in the private placement.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Biofrontera Inc.

Biofrontera Inc. is a U.S.-based biopharmaceutical company commercializing a portfolio of pharmaceutical products for the treatment of dermatological conditions with a focus on photodynamic therapy (PDT) and topical antibiotics. The Company's licensed products are used for the treatment of actinic keratoses, which are pre-cancerous skin lesions, as well as impetigo, a bacterial skin infection. For more information, visit www.biofrontera-us.com.

Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within

the meaning of the United States Private Securities Litigation Reform Act of 1995, as amended to date. These statements include, but are not limited to, statements relating to the exercise of warrants to purchase the Company's common stock and the issuance of new warrants in a private placement. We have based these forward-looking statements on our current expectations and projections about future events, nevertheless, actual results or events could differ materially from the plans, intentions and expectations disclosed in, or implied by, the forward-looking statements we make. These risks and uncertainties, many of which are beyond our control, including, but not limited to, the impact of extraordinary external events, such as the current COVID-19 pandemic; any changes in the Company's relationship with its licensors; the ability of the Company's licensors to fulfill their obligations to the Company in a timely manner; the Company's ability to achieve and sustain profitability; whether the current global disruptions in supply chains will impact the Company's ability to obtain and distribute its licensed products; changes in the practices of healthcare providers, including any changes to the coverage, reimbursement and pricing for procedures using the Company's licensed products; the uncertainties inherent in the initiation and conduct of clinical trials; availability and timing of data from clinical trials; whether results of earlier clinical trials or trials of Ameluz® in combination with BF-RhodoLED® in different disease indications or product applications will be indicative of the results of ongoing or future trials; uncertainties associated with regulatory review of clinical trials and applications for marketing approvals; whether the market opportunity for Ameluz® in combination with BF-RhodoLED® is consistent with the Company's expectations; the Company's ability to complete the transition to a public company; the Company's ability to retain and hire key personnel; the sufficiency of cash resources and need for additional financing and other factors that may be disclosed in the Company's filings with the SEC, which can be obtained on the SEC website at www.sec.gov. Readers are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date on which they are made and reflect management's current estimates, projections, expectations and beliefs. The Company does not plan to update any such forward-looking statements and expressly disclaims any duty to update the information contained in this press release except as required by law.

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