

Horizon Pharma plc  
Form DEFA14A  
August 07, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**(RULE 14a-101)**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to 240.14a-12

**Horizon Pharma Public Limited Company**

(Name of Registrant as Specified In Its Charter)

# Edgar Filing: Horizon Pharma plc - Form DEFA14A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Filed under Rule 14a-12

of the Securities Exchange Act of 1934

Filing by: Horizon Pharma Public Limited Company

Subject Company: Horizon Pharma Public Limited Company

SEC File No. of Horizon Pharma Public Limited Company: 001-35238

This Schedule 14A filing consists of a press release which contains information regarding the proposed acquisition of Depomed, Inc. ( Depomed ) by Horizon Pharma plc ( Horizon ).

Horizon issued the press release on August 7, 2015.

### **Additional Information**

This communication does not constitute an offer to buy or solicitation of any offer to sell or vote securities. This communication relates to a solicitation by Horizon Pharma of Depomed's shareholders to call a special shareholders meeting to consider certain proposals related to Horizon Pharma's proposed business combination transaction with Depomed. On August 3, 2015, Horizon Pharma filed a preliminary solicitation statement and accompanying WHITE proxy card with the SEC with respect to the solicitation of proxies to call a special meeting of shareholders (including any amendments and supplements, the Special Meeting Solicitation Statement). Subject to further developments, Horizon Pharma may file one or more amendments to the Special Meeting Solicitation Statement and additional solicitation statements and/or one or more proxy statements or other documents with the SEC in connection with such special shareholders meeting, and Horizon Pharma (and, if a negotiated transaction is agreed upon, Depomed) may file one or more registration statements, prospectuses, proxy statements or other documents with the SEC in connection with the proposed transaction. This communication is not a substitute for any solicitation statement, proxy statement or other document filed with the SEC in connection with such special shareholders meeting or any registration statement, prospectus, proxy statement or other document Horizon Pharma and/or Depomed may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF HORIZON PHARMA AND DEPOMED ARE URGED TO READ CAREFULLY THE SPECIAL MEETING SOLICITATION STATEMENT (INCLUDING ANY AMENDMENTS AND SUPPLEMENTS), THE ACCOMPANYING WHITE PROXY CARD AND OTHER SOLICITATION STATEMENTS, PROXY STATEMENTS AND DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE SPECIAL SHAREHOLDERS MEETING AND ANY REGISTRATION STATEMENTS, PROSPECTUSES, PROXY STATEMENTS AND OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT HORIZON PHARMA, DEPOMED, THE SPECIAL SHAREHOLDERS MEETING AND THE PROPOSED TRANSACTION, AS APPLICABLE. Investors and security holders may obtain free copies of the Special Meeting Solicitation Statement and these other related documents (when they are available) filed with the SEC at the SEC's web site at [www.sec.gov](http://www.sec.gov) or by directing a request to Horizon Pharma's Investor Relations department at Horizon Pharma, Inc., Attention: Investor Relations, 520 Lake Cook Road, Suite 520, Deerfield, IL 60015 or to Horizon Pharma's Investor Relations department at 224-383-3400 or by email to [investor-relations@horizonpharma.com](mailto:investor-relations@horizonpharma.com). Investors and security holders may obtain free copies of the documents filed with the SEC on Horizon Pharma's website at [www.horizonpharma.com](http://www.horizonpharma.com) under the heading Investors and then under the heading SEC Filings.

### **Certain Information Regarding Participants**

Edgar Filing: Horizon Pharma plc - Form DEFA14A

Horizon Pharma and/or Depomed and their respective directors, executive officers and certain other employees may be deemed participants in a solicitation of proxies in connection with the request to call the special shareholders meeting and in connection with the proposed transaction. You can find information about Horizon Pharma's directors, executive officers and such certain other employees in Horizon Pharma's Annual Report on Form 10-K for the year ended December 31, 2014, which was filed with the SEC on February 27, 2015, Horizon Pharma's definitive proxy statement filed with the SEC on May 6, 2015, Horizon Pharma's Current Report on Form 8-K/A filed with the SEC on July 27, 2015 and the Special Meeting Solicitation Statement and in such other solicitation statements, proxy statements or other documents that would be filed with the SEC in connection with the special

shareholders meeting and the proposed transaction. You can find information about Depomed's directors, executive officers and its employees who are participants in such solicitation in Depomed's definitive proxy statement filed with the SEC on April 16, 2015 and the Special Meeting Solicitation Statement and in such other solicitation statements, proxy statements or other documents that would be filed with the SEC in connection with the special shareholders meeting and the proposed transaction. These documents are available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov) and, with respect to Horizon Pharma, from Investor Relations at Horizon Pharma as described above. Additional information regarding the interests of such potential participants is included in the Special Meeting Solicitation Statement and will be included in one or more registration statements, proxy statements or other documents filed with the SEC if and when they become available.

**Horizon Pharma plc Announces Record Second Quarter 2015 Financial Results***Net Sales of \$172.8 Million, Up 161 Percent**Adjusted EBITDA of \$76.1 Million, Up 254 Percent**Adjusted Operating Cash Flow of \$129.6 Million; GAAP Operating Cash Flow of \$41.6 Million**Confirms Recently Raised Full-Year 2015 Sales and Adjusted EBITDA Guidance**Conference Call and Webcast at 8:00 a.m. EDT, August 7<sup>th</sup>*

**DUBLIN, IRELAND** August 7, 2015 Horizon Pharma plc (NASDAQ: HZNP), a biopharmaceutical company focused on improving patients' lives by identifying, developing, acquiring and commercializing differentiated and accessible medicines that address unmet medical needs, announced its second-quarter 2015 financial results today.

***Quarterly Financial Highlights***

	%			%		
(in millions except for per share amounts and percentages)	<b>Q2 15</b>	<b>Q2 14</b>	<b>Change</b>	<b>1H 15</b>	<b>1H 14</b>	<b>Change</b>
Net sales	\$ 172.8	\$ 66.1	161	\$ 286.0	\$ 118.0	142
Net income (loss)	31.8	(27.8)	NM	12.3	(234.0)	NM
Adjusted non-GAAP net income	61.9	19.8	213	86.4	26.8	222
Adjusted EBITDA	76.1	21.5	254	108.5	30.2	259
Earnings (loss) per share - basic	\$ 0.21	\$ (0.38)	NM	\$ 0.09	\$ (3.34)	NM
Adjusted non-GAAP earnings per share - basic	0.41	0.27	52	0.62	0.38	63
Earnings (loss) per share - diluted	0.20	(0.38)	NM	0.08	(3.34)	NM
Adjusted non-GAAP earnings per share - diluted	0.39	0.20	95	0.60	0.29	107

We delivered exceptionally strong performance in the second quarter and through the first half of the year, said Timothy P. Walbert, chairman, president and chief executive officer, Horizon Pharma plc. Our results significantly beat expectations on net sales, adjusted EBITDA and adjusted diluted earnings per share. In addition, we're generating strong adjusted operating cash flow and we're well positioned to deliver on our recently raised full-year 2015 net sales and adjusted EBITDA guidance.

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*

**Second-Quarter and First-Half 2015 Net Sales Results**

(in millions except for percentages)	Q2 15	Q2 14	% Change	1H 15	1H 14	% Change
<b>Primary Care</b>	<b>\$ 113.4</b>	<b>\$ 60.2</b>	<b>88</b>	<b>\$ 193.5</b>	<b>\$ 108.1</b>	<b>79</b>
DUEXIS <sup>®</sup>	44.2	17.8	148	73.1	31.7	131
VIMOVO <sup>®</sup>	39.8	42.4	-6	72.8	76.4	-5
PENNSAID <sup>®</sup> 2% <sup>(1)</sup>	29.4		NM	47.6		NM
<b>Orphan</b>	<b>48.7</b>		<b>NM</b>	<b>73.6</b>		<b>NM</b>
ACTIMMUNE <sup>®</sup> <sup>(2)</sup>	25.8		NM	50.7		NM
RAVICTI <sup>®</sup> <sup>(3)</sup>	19.0		NM	19.0		NM
BUPHENYL <sup>®</sup> <sup>(3)</sup>	3.9		NM	3.9		NM
<b>Specialty</b>	<b>10.7</b>	<b>5.9</b>	<b>81</b>	<b>18.9</b>	<b>9.9</b>	<b>91</b>
RAYOS <sup>®</sup> /LODOTRA <sup>®</sup>	10.7	5.9	81	18.9	9.9	91
<b>Total net sales</b>	<b>\$ 172.8</b>	<b>\$ 66.1</b>	<b>161</b>	<b>\$ 286.0</b>	<b>\$ 118.0</b>	<b>142</b>

- (1) PENNSAID 2% was acquired on October 17, 2014.  
(2) ACTIMMUNE was acquired on September 19, 2014.  
(3) RAVICTI and BUPHENYL were acquired on May 7, 2015.

Second-quarter 2015 net sales of \$172.8 million increased 161 percent. This was driven by strong growth in each of Horizon's business units: primary care, orphan and specialty, as well as the addition of new medicines to the primary care and orphan business units.

**Primary Care Business Unit:** Second-quarter DUEXIS sales of \$44.2 million increased 148 percent as compared to the second quarter of 2014, driven by accelerating prescription growth. In the second quarter, VIMOVO sales were \$39.8 million and PENNSAID 2% sales were \$29.4 million. Total prescriptions accelerated across all three medicines in the primary care business unit driven by their differentiated clinical benefits, strong sales and marketing execution and increased access to Horizon's Prescriptions-Made-Easy<sup>™</sup>, or PME, program. Total prescriptions for DUEXIS, VIMOVO and PENNSAID 2% increased 68 percent, 52 percent and 142 percent, respectively, as compared to the first quarter of 2015.

**Orphan Business Unit:** ACTIMMUNE sales were \$25.8 million in the quarter, representing a 4 percent sequential increase versus the first quarter of 2015. The commercial organization continues to drive awareness of ACTIMMUNE with both patients and physicians as new patients continue to be steadily added to the therapy each quarter. The Hyperion acquisition was completed on May 7, 2015, and approximately two months of sales were recorded for RAVICTI and BUPHENYL in the second quarter, which were \$19.0 million and \$3.9 million, respectively.



**Specialty Business Unit:** RAYOS/LODOTRA sales in the second quarter were \$10.7 million, increasing 81 percent versus the second quarter of 2014. In April, a comprehensive effort was initiated to provide more patients access to RAYOS through the PME program, which resulted in total prescription growth versus the first quarter of 2015 of nearly 90 percent.

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*

**Second-Quarter 2015 Financial Results**

**Note:** For additional detail and reconciliation of these amounts and growth rates to the most directly comparable GAAP financial measures, please refer to the summary table below, as well as the detailed tables at the end of this release.

(in millions, except per share amounts)	Q2 2015			Q2 2014		
	U.S. GAAP	Adjustments	Non-GAAP	U.S. GAAP	Adjustments	Non-GAAP
Net sales	\$ 172.8	\$	\$ 172.8	\$ 66.1	\$	\$ 66.1
Gross profit	111.0	46.5	157.5	41.3	18.8	60.1
Research and development	8.9	(2.2)	6.7	3.5	(0.5)	3.0
Sales and marketing	58.1	(5.9)	52.2	27.1	(1.0)	26.1
General and administrative	77.2	(54.9)	22.3	17.7	(8.7)	9.0
Total operating expenses	144.2	(63.0)	81.2	48.3	(10.2)	38.1
Interest expense, net	19.4	(5.6)	13.8	4.2	(2.3)	1.9
Loss on induced debt conversion and debt extinguishment	67.1	(67.1)				
Loss on derivative fair value				11.0	(11.0)	
Other expense, net	9.1	(9.0)	0.1	4.3	(4.3)	
(Benefit) expense for income taxes	(160.7)	161.1	0.4	0.9	(0.9)	
Net income (loss)	31.8	30.1	61.9	(27.8)	47.6	19.8
EBITDA <sup>(1)</sup>	(69.8)	145.9	76.1	(14.5)	36.0	21.5
Earnings (loss) per share - basic	\$ 0.21	\$ 0.20	\$ 0.41	\$ (0.38)	\$ 0.65	\$ 0.27
Earnings (loss) per share - diluted	\$ 0.20	\$ 0.19	\$ 0.39	\$ (0.38)	\$ 0.58	\$ 0.20

(1) EBITDA is a non-GAAP measure.

Under U.S. generally accepted accounting principles (GAAP) in the second quarter of 2015, the gross profit ratio was 64.2 percent. The adjusted gross profit ratio in the second quarter of 2015 was 91.1 percent, compared to 90.9 percent in the second quarter of 2014.

On a GAAP basis in the second quarter of 2015, total operating expenses were 83.5 percent of sales, research & development (R&D) expenses were 5.2 percent of sales, sales & marketing (S&M) expenses were 33.6 percent of sales and general & administration (G&A) expenses were 44.7 percent of sales. Adjusted total operating expenses in the second quarter of 2015 were 47.0 percent of sales, adjusted R&D expenses were 3.9 percent of sales, adjusted S&M expenses were 30.2 percent of sales and adjusted G&A expenses were 12.9 percent of sales. Adjusted total operating expenses in the second quarter of 2014 were 57.6 percent of sales.

On a GAAP basis in the second quarter of 2015, net income was \$31.8 million. Adjusted net income in the second quarter of 2015 was \$61.9 million, or 35.8 percent of sales, compared to \$19.8 million, or 30.0 percent of sales, in the second quarter of 2014.

On an unadjusted basis in the second quarter of 2015, EBITDA was a \$69.8 million loss. Adjusted EBITDA in the second quarter of 2015 was \$76.1 million, or 44.0 percent of sales, compared to \$21.5 million, or 32.5 percent of sales, in the second quarter of 2014.

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*

On a GAAP basis in the second quarter of 2015, diluted earnings per share were \$0.20. Adjusted diluted earnings per share in the second quarter of 2015 were \$0.39, representing growth of 95.0 percent compared to the second quarter of 2014 diluted earnings per share of \$0.20. Weighted average shares outstanding used for calculating earnings per share in the second quarter of 2015 were 150.8 million and 159.8 million for basic and diluted earnings per share, respectively.

***Cash Flow Statement and Balance Sheet Highlights***

On a GAAP basis in the second quarter of 2015, operating cash flow was \$41.6 million. Adjusted operating cash flow in the second quarter of 2015 was \$129.6 million, which excludes the payment of accrued excise taxes from the Vidara acquisition, debt extinguishment costs and Hyperion transaction costs.

The Company had cash and cash equivalents of \$667.1 million as of June 30, 2015, an increase of \$122.9 million from March 31, 2015. The net cash flows related to the Hyperion acquisition were \$3.0 million. Please see the description of Hyperion acquisition-related cash flows in the tables at the end of this release.

Total principal amount of debt outstanding was \$1.275 billion as of June 30, 2015, compared to total principal amount of debt outstanding of \$728 million as of March 31, 2015. The \$1.275 billion is comprised of \$475 million in 6.625 percent senior notes, \$400 million in senior secured term loans, and \$400 million of 2.5 percent exchangeable senior notes.

***Update on Offer to Acquire Depomed, Inc.***

On August 3, 2015, Horizon Pharma issued a news release announcing it submitted a written request to Depomed, Inc. to set a record date to determine shareholders eligible to request a special shareholders meeting. Additionally, Horizon Pharma filed a lawsuit challenging the legality of Depomed's poison pill and certain of the bylaw amendments announced by Depomed's board of directors on July 13, 2015. On July 20, the Company increased its offer to acquire Depomed, Inc. to \$33.00 from \$29.25 per share in an all-stock transaction.

***Horizon Pharma Confirms 2015 Full-Year Guidance as Provided on July 20, 2015***

	Guidance
Net sales	\$660 to \$680 million
Adjusted EBITDA	\$265 to \$280 million

***Recent Major Events***

On July 31, 2015, the U.S. Patent and Trademark Office (USPTO) issued a Notice of Allowance with claims covering PENNSAID 2%. Also, since April, the company received three additional Notices of Allowance from the USPTO with claims covering PENNSAID 2% and one Notice of Allowance each from the USPTO with claims covering RAVICTI and RAYOS.

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*

On July 27, 2015, Horizon Pharma announced a collaboration with Fox Chase Cancer Center to study ACTIMMUNE (interferon gamma-1b) in combination with PD-1/PD-L1 inhibitors in various forms of cancer.

On July 6, 2015, Horizon Pharma filed patent infringement lawsuits against five companies for filing Abbreviated New Drug Applications for PENNSAID 2%.

On June 5, 2015, the company initiated a Phase 3 trial of ACTIMMUNE for the treatment of Friedreich's ataxia, a degenerative neuromuscular disorder, following the receipt of U.S. Food and Drug Administration Fast Track Designation in April.

On May 8, 2015, the company announced the settlement of PENNSAID 2% patent litigation with Perrigo Company plc and its subsidiary Paddock Laboratories, LLC, collectively (Perrigo).

On May 7, 2015, Horizon Pharma completed the acquisition of Hyperion for \$1.1 billion in cash and an enterprise value of \$958 million.

#### ***Conference Call***

At 8 a.m. EDT / 1 p.m. IST today, the Company will host a live conference call and webcast to review its financial and operating results and provide a general business update.

U.S. Dial-In Number: +1 888.338.8373

International Dial-In Number: +1 973.872.3000

Passcode: 87670328

The live webcast and a replay may be accessed by visiting Horizon's website at <http://ir.horizon-pharma.com>. Please connect to the Company's website at least 15 minutes prior to the live webcast to ensure adequate time for any software download that may be needed to access the webcast.

A replay of the conference call will be available approximately two hours after the call and accessible through one of the following telephone numbers, using the passcode below:

Replay U.S. Dial-In Number: +1 855.859.2056

Replay International Dial-In Number: +1 404.537.3406

Passcode: 87670328

#### **About Horizon Pharma plc**

Horizon Pharma plc is a biopharmaceutical company focused on improving patients' lives by identifying, developing, acquiring and commercializing differentiated and accessible medicines that address unmet medical needs. The

Edgar Filing: Horizon Pharma plc - Form DEFA14A

Company markets seven medicines through its orphan, primary care and specialty business units. Horizon's global headquarters are in Dublin, Ireland. For more information, please visit [www.horizonpharma.com](http://www.horizonpharma.com). Follow [@HZNPplc](https://twitter.com/HZNPplc) on Twitter or view careers on our [LinkedIn](#) page.

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*

### **Note Regarding Use of Non-GAAP Financial Measures**

*EBITDA, or earnings before interest, taxes, depreciation and amortization, and adjusted EBITDA are used and provided by Horizon as non-GAAP financial measures. Horizon provides certain other financial measures such as adjusted net income, adjusted net income per share, adjusted gross profit and gross profit ratio, adjusted operating and other expenses and adjusted cash from operations, each of which include adjustments to GAAP figures. Adjustments to Horizon's GAAP figures as well as EBITDA exclude acquisition transaction related expenses, loss on debt extinguishment, as well as non-cash items such as share-based compensation, depreciation and amortization, royalty accretion, non-cash interest expense, and other non-cash adjustments. Certain other special items or substantive events may also be included in the non-GAAP adjustments periodically when their magnitude is significant within the periods incurred. Horizon believes that these non-GAAP financial measures, when considered together with the GAAP figures, can enhance an overall understanding of Horizon's financial performance. The non-GAAP financial measures are included with the intent of providing investors with a more complete understanding of the company's historical and expected 2015 financial results and trends. In addition, these non-GAAP financial measures are among the indicators Horizon's management uses for planning and forecasting purposes and measuring the Company's performance. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The non-GAAP financial measures used by the Company may be calculated differently from, and therefore may not be comparable to, non-GAAP financial measures used by other companies. Horizon has not provided reconciliation of an expected adjusted EBITDA outlook to an expected net income (loss) outlook because certain items that are a component of net income (loss) cannot be reasonably projected, either due to the significant impact of changes in Horizon's stock price on share-based compensation, the variability associated with acquisition related expenses due to timing and other factors.*

### **Forward-Looking Statements**

*This press release contains forward-looking statements, including, but not limited to, statements related to Horizon's expected full-year 2015 net sales and adjusted EBITDA guidance and other statements that are not historical facts. These forward-looking statements are based on Horizon's current expectations and inherently involve significant risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks that Horizon's actual full-year 2015 financial and operating results may differ from its expectations; Horizon Pharma's ability to grow sales and revenues from existing products; the availability of coverage and adequate reimbursement and pricing from government and third party payers and risks relating to the success of Horizon's Prescriptions-Made-Easy or PME specialty pharmacy program; competition, including potential generic competition; the ability to protect intellectual property and defend patents; regulatory obligations and oversight; and those risks detailed from time-to-time under the caption Risk Factors and elsewhere in Horizon's filings and reports with the U.S. Securities and Exchange Commission (SEC). Horizon Pharma undertakes no duty or obligation to update any forward-looking statements contained in this presentation as a result of new information.*

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*



### ***Additional Information***

*This press release does not constitute an offer to buy or solicitation of any offer to sell or vote securities. This press release contains certain information related to a solicitation by Horizon Pharma of Depomed's shareholders to call a special shareholders meeting to consider certain matters in connection with a proposal which Horizon Pharma has made for a business combination transaction with Depomed. Subject to future developments, Horizon Pharma and Depomed may file one or more solicitation statements, proxy statements or other documents with the SEC in connection with such special shareholders meeting, and Horizon Pharma (and, if a negotiated transaction is agreed upon, Depomed) may file one or more registration statements, prospectuses, proxy statements or other documents with the SEC in connection with the proposed transaction. This communication is not a substitute for any solicitation statement, proxy statement or other document filed with the SEC in connection with such special shareholders meeting or any registration statement, prospectus, proxy statement or other document Horizon Pharma and/or Depomed may file with the SEC in connection with the proposed transaction. Horizon Pharma has filed a preliminary proxy statement and accompanying WHITE proxy card with the SEC with respect to the solicitation of proxies to call a special meeting of shareholders. INVESTORS AND SECURITY HOLDERS OF HORIZON PHARMA AND DEPOMED ARE URGED TO READ CAREFULLY THE SOLICITATION STATEMENT, (INCLUDING ANY AMENDMENTS AND SUPPLEMENTS), THE ACCOMPANYING WHITE PROXY CARD AND OTHER PROXY STATEMENTS AND DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE SPECIAL SHAREHOLDERS MEETING AND ANY REGISTRATION STATEMENTS, PROSPECTUSES, PROXY STATEMENTS AND OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT HORIZON PHARMA, DEPOMED, THE SPECIAL SHAREHOLDERS MEETING AND THE PROPOSED TRANSACTION, AS APPLICABLE. Investors and security holders may obtain free copies of these documents (when they are available) and other related documents filed with the SEC at the SEC's web site at [www.sec.gov](http://www.sec.gov) or by directing a request to Horizon Pharma's Investor Relations department at Horizon Pharma, Inc., Attention: Investor Relations, 520 Lake Cook Road, Suite 520, Deerfield, IL 60015 or to Horizon Pharma's Investor Relations department at 224-383-3400 or by email to [investor-relations@horizonpharma.com](mailto:investor-relations@horizonpharma.com). Investors and security holders may obtain free copies of the documents filed with the SEC on Horizon Pharma's website at [www.horizonpharma.com](http://www.horizonpharma.com) under the heading Investors and then under the heading SEC Filings.*

### ***Certain Information Regarding Participants***

*Horizon Pharma and/or Depomed and their respective directors, executive officers and certain other employees may be deemed participants in a solicitation of proxies in connection with the request to call the special shareholders meeting and in connection with the proposed transaction. You can find information about Horizon Pharma's directors, executive officers and such certain other employees in Horizon Pharma's Annual Report on Form 10-K for the year ended December 31, 2014, which was filed with the SEC on February 27, 2015, Horizon Pharma's definitive proxy statement filed with the SEC on May 6, 2015, and in Horizon Pharma's Current Report on Form 8-K/A filed with the SEC on July 27, 2015, and in such solicitation statements, proxy statements or other documents that would be filed with the SEC in connection with the special shareholders meeting and the proposed transaction. You can find information about Depomed's directors, executive officers and its employees who are participants in such solicitation in Depomed's definitive proxy statement filed with the SEC on April 16, 2015, and in*

*such solicitation statements, proxy statements or other documents that would be filed with the SEC in connection with the special shareholders meeting and the proposed transaction. These documents are available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov) and, with respect to Horizon Pharma, from Investor Relations at Horizon Pharma as described above. Additional information regarding the interests of such potential participants will be included in one or more registration statements, proxy statements or other documents filed with the SEC if and when they become available.*

**Investors:**

John B. Thomas

Executive Vice President, Corporate Strategy and Investor Relations

[jthomas@horizonpharma.com](mailto:jthomas@horizonpharma.com)

Tina Ventura

Vice President, Investor Relations

[tvventura@horizonpharma.com](mailto:tvventura@horizonpharma.com)

**U.S. Media Contact:**

Geoff Curtis

Group Vice President, Corporate Communications

[gcurtis@horizonpharma.com](mailto:gcurtis@horizonpharma.com)

**Ireland Media Contact:**

Ray Gordon

Gordon MRM

[ray@gordonmrm.ie](mailto:ray@gordonmrm.ie)

*Connaught House, 1<sup>st</sup> Floor, 1 Burlington Road, Dublin 4, Ireland*

## Horizon Pharma plc

## Consolidated Statements of Operations

(in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
<b>REVENUES:</b>				
Net sales	\$ 172,821	\$ 66,062	\$ 285,962	\$ 117,988
Cost of goods sold	61,826	24,810	90,679	32,429
Gross profit	110,995	41,252	195,283	85,559
<b>OPERATING EXPENSES:</b>				
Research and development	8,922	3,545	15,103	6,378
Sales and marketing	58,056	27,126	105,119	55,821
General and administrative	77,190	17,681	103,470	28,873
Total operating expenses	144,168	48,352	223,692	91,072
Operating loss	(33,173)	(7,100)	(28,409)	(5,513)
<b>OTHER EXPENSE, NET:</b>				
Interest expense, net	(19,448)	(4,207)	(29,480)	(8,414)
Foreign exchange loss	(87)	(284)	(924)	(322)
Loss on derivative fair value		(10,965)		(214,995)
Loss on induced conversion of debt and debt extinguishment	(67,080)		(77,624)	
Other, net	(9,078)	(4,333)	(10,069)	(5,000)