

Horizon Pharma plc
Form 8-K
October 20, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 19, 2016

Horizon Pharma Public Limited Company

(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction

001-35238
(Commission

Not Applicable
(IRS Employer

of incorporation)

File No.)

Identification No.)

Connaught House, 1st Floor, 1 Burlington Road, Dublin 4, D04 C5Y6, Ireland

(Address of principal executive offices)

Registrant's telephone number, including area code: 011-353-1-772-2100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 8.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 8.01. Other Events.

On October 19, 2016, Horizon Pharma, Inc. and Horizon Pharma USA, Inc. (the Issuers), wholly owned subsidiaries of Horizon Pharma plc (the Company), entered into a purchase agreement (the Purchase Agreement) with Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the several initial purchasers listed in Schedule I thereto (collectively, the Initial Purchasers), relating to the sale by the Issuers of \$300 million aggregate principal amount of 8.750% Senior Notes due 2024 in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the Securities Act). The Issuers' sale of the notes to the Initial Purchasers is being made pursuant to Section 4(a)(2) of the Securities Act. The Issuers expect the offering to close on October 25, 2016, subject to the satisfaction of customary closing conditions.

The Company expects to use the net proceeds from the offering of notes as well as \$375.0 million principal amount of incremental term loans under its existing senior secured credit facility (the agreement governing such facility, the Credit Agreement) to fund a portion of its planned acquisition of Raptor Pharmaceutical Corp. (Raptor), and the planned acquisition of Raptor, the Raptor Acquisition), repay Raptor's outstanding debt, and pay any prepayment premiums, fees and expenses in connection with the foregoing.

If the Raptor Acquisition is not consummated concurrently with the consummation of the offering of notes, the Issuers would enter into an escrow agreement pursuant to which the Issuers would deposit into an escrow account the gross proceeds from the offering of notes, plus an amount of cash that, when taken together with the gross proceeds from the offering of notes, would be sufficient to fund a special mandatory redemption of the notes on the third business day after January 9, 2017, if such special mandatory redemption were to occur on such date. The release of the funds in the escrow account to the Issuers would be subject to the satisfaction of certain conditions, including the satisfaction or waiver of all of the conditions precedent to closing the Raptor Acquisition (collectively, the Escrow Release Conditions). If the Raptor Acquisition is not consummated on or prior to January 9, 2017 or if the Issuers notify the trustee and the escrow agent in writing that the merger agreement pertaining to the Raptor Acquisition has been terminated, the notes would be subject to a special mandatory redemption. The special mandatory redemption price for the notes would be 100% of the initial issue price plus accrued interest to the date of redemption. If the Escrow Release Conditions are satisfied or waived, the escrowed funds would be released to the Issuers. If the closing of the Raptor Acquisition occurs substantially concurrently with the consummation of the offering of notes, the Issuers will follow the escrow procedures described above.

The notes will be the Issuers' general unsecured senior obligations, will rank equally in right of payment with all existing and future senior debt of the Issuers and will rank senior in right of payment to any future subordinated debt of the Issuers. The notes will be effectively subordinate to all of the existing and future secured debt of the Issuers to the extent of the value of the collateral securing such debt.

The notes will be, jointly and severally, unconditionally guaranteed on a senior basis by the Company and all of the Company's restricted subsidiaries, other than the Issuers, in each case that guarantee the Credit Agreement. The guarantees will be each guarantor's senior unsecured obligations and will rank equally in right of payment with such guarantor's existing and future senior debt and senior in right of payment to any existing and future subordinated debt of such guarantor. The guarantees will be effectively subordinated to all of the existing and future secured debt of each guarantor, including such guarantor's guarantee under the Credit Agreement, to the extent of the value of the collateral securing such debt. The guarantees of a guarantor may be released under certain circumstances. The notes will be structurally subordinated to all of the liabilities of the Company's subsidiaries that do not guarantee the notes.

The notes will accrue interest at an annual rate of 8.750% payable semiannually in arrears on May 1 and November 1 of each year, beginning on May 1, 2017. The notes will mature on November 1, 2024, unless earlier exchanged, repurchased or redeemed.

Except as described below, the notes may not be redeemed before November 1, 2019. Thereafter, some or all of the notes may be redeemed at any time at specified redemption prices, plus accrued and unpaid interest to the redemption date. At any time prior to November 1, 2019, some or all of the notes may be redeemed at a price equal to 100% of the aggregate principal amount thereof, plus a make-whole premium and accrued and unpaid interest to the redemption date. Also prior to November 1, 2019, up to 35% of the aggregate principal amount of the notes may be redeemed at a redemption price of 108.750% of the aggregate principal amount thereof, plus accrued and unpaid interest, with the net proceeds of certain equity offerings. In addition, the notes may be redeemed in whole but not in part at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date, if on the next date on which any amount would be payable in respect of the notes, the Issuers or any guarantor is or would be required to pay additional amounts as a result of certain tax related events.

If the Company undergoes a change of control, the Issuers will be required to make an offer to purchase all of the notes at a price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest to, but not including, the repurchase date. If the Company or certain of its subsidiaries engages in certain asset sales, the Issuers will be required under certain circumstances to make an offer to purchase the notes at 100% of the principal amount thereof, plus accrued and unpaid interest to the repurchase date.

On October 13, 2016, the Company issued a press release announcing the offering of the notes. A copy of this press release is attached hereto as Exhibit 99.1.

On October 20, 2016, the Company issued another press release announcing the pricing of the offering. A copy of this press release is attached hereto as Exhibit 99.2.

This Current Report on Form 8-K does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall it constitute an offer to sell, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful. Any offers of the securities were made only by means of a confidential offering memorandum. These securities have not been registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States or to U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated October 13, 2016.

99.2 Press Release dated October 20, 2016.

Forward-Looking Statements

This Current Report on Form 8-K includes forward-looking statements regarding the Company's financing plans, including statements related to the Issuer's offering of the notes, the terms under which the proceeds from the notes may be held in and released from escrow, the timing of events related to the offering of the notes, the terms of the notes and the intended use of net proceeds of the offering. Such statements are subject to certain risks and uncertainties including, without limitation, risks related to market and other general economic conditions, whether and when the Company will complete the proposed acquisition of Raptor, whether the conditions required to close the sale of the notes or release the proceeds of the notes to the Company will be satisfied or waived, and the possibility that changes in circumstances could cause the Company to use the net proceeds of the notes for purposes other than those described herein. The Company's forward-looking statements also involve assumptions that, if they never materialize or prove correct, could cause its results to differ materially from those expressed or implied by

such forward-looking statements. Although the Company's forward-looking statements reflect the good faith judgment of its management, these statements are based only on facts and factors currently known by the Company. As a result, you are cautioned not to rely on these forward-looking statements. These and other risks concerning the Company are described in additional detail in the Company's annual report on Form 10-K for the year ended December 31, 2015, and its subsequent filings with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 20, 2016

HORIZON PHARMA PUBLIC LIMITED COMPANY

By: /s/ Paul W. Hoelscher
Paul W. Hoelscher
Executive Vice President and Chief Financial
Officer

INDEX TO EXHIBITS

- 99.1 Press Release dated October 13, 2016.
- 99.2 Press Release dated October 20, 2016.