HORIZON PHARMA, INC.
Form PREM14A
June 27, 2014
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

x 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, Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box)

¨ No fee required.

x 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:

$1,875,653,447.62

5. Total fee paid:

$241,584.16

¨ Fee paid previously with preliminary materials.

x 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:

$241,584.16

2. Form, Schedule or Registration Statement No.:

Form S-4, 333-197052

3. Filing Party:

Vidara Therapeutics International Limited

4. Date Filed:

June 26, 2014

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The information in this proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY COPY

SUBJECT TO COMPLETION, DATED , 2014

PROXY STATEMENT/PROSPECTUS

Dear Fellow Stockholder:

You are cordially invited to attend the Special Meeting of Stockholders on , , 2014. The Special Meeting will begin at 8:00 a.m., Central Time, at Horizon s corporate office, located at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015.

The attached Notice of Special Meeting and proxy statement/prospectus describes how Horizon s Board of Directors operates, provides biographical information on Horizon s director nominees, gives information for the voting matters to be acted upon at the Special Meeting and explains the proxy voting process.

Horizon s Board of Directors urges you to read the accompanying proxy statement/prospectus and recommends that you vote FOR the adoption of the Merger Agreement and the approval of the Merger, FOR the approval, on an advisory basis, of certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement, FOR the approval of the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan, FOR the approval of the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan, FOR the approval of the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan and FOR the approval of the adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Special Meeting to adopt the Merger Agreement and approve the Merger.

Whether or not you plan to attend the Special Meeting, it is important that your shares be represented and voted. Please take a moment now to vote your shares by internet, toll-free telephone call or by signing and dating the enclosed proxy card and returning it in the pre-addressed, postage-paid envelope provided.

Horizon looks forward to seeing you on , 2014, and urges you to vote as soon as possible.

Sincerely,

Timothy P. Walbert

Chairman of the Board, President and

Chief Executive Officer

This proxy statement/prospectus refers to important business and financial information about Horizon that is not included in or delivered with this proxy statement/prospectus. Such information is available without charge to Horizon stockholders upon written or oral request at the following address: Horizon Pharma, Inc., Attn: Investor Relations, 520 Lake Cook Road, Suite 520, Deerfield, IL 60015, or by telephone at (224) 383-3000. **To obtain timely delivery, Horizon stockholders must request the information no later than five business days before the date of the Horizon special meeting, or no later than , 2014.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

For the avoidance of doubt, this proxy statement/prospectus is not intended to be and is not a prospectus for the purposes of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland (the 2005 Act), the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland or the Prospectus Rules issued under the 2005 Act, and the Central Bank of Ireland has not approved this document.

This proxy statement/prospectus is dated , 2014, and is first being mailed to the Horizon stockholders on or about , 2014.

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HORIZON PHARMA, INC.

520 Lake Cook Road, Suite 520

Deerfield, Illinois 60015

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON , 2014

Dear Stockholder:

Horizon will be holding the Special Meeting of Stockholders of Horizon Pharma, Inc., on , , 2014, beginning promptly at 8:00 a.m., Central Time, at Horizon s corporate office, located at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015. You are being asked to vote on the following matters:

1. To adopt the Merger Agreement and approve the Merger.

2. To approve, on an advisory basis, certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement.

3. To approve the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan.

4. To approve the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan.

5. To approve the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan.

6. To approve the adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Special Meeting to adopt the Merger Agreement and approve the Merger.

7. To conduct any other business properly brought before the meeting.

Only stockholders of record at the close of business on , 2014, the record date for the Special Meeting, are entitled to notice of the Special Meeting and to vote at the Special Meeting or any adjournment or postponement thereof. On or about , 2014, Horizon will mail proxy materials to our common stockholders. Horizon asks that you review the proxy statement/prospectus carefully and complete, sign, date and return the enclosed proxy card in the envelope provided or vote over the internet or by telephone as instructed in these materials, as promptly as possible in order to ensure your representation at the meeting. A return envelope (which is postage prepaid if mailed in the United States) will be provided for your convenience. Even if you have voted by proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.

Important Notice Regarding the Availability of Proxy Materials for the Stockholders Meeting to Be Held on , , 2014, at 8:00 a.m., Central Time, at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015.

The Proxy Statement/Prospectus and Annual Report to stockholders

are available at *www.envisionreports.com/hznp.*

By Order of the Board of Directors

Robert J. De Vaere

Secretary

Deerfield, Illinois

, 2014

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We incorporate by reference important information into this proxy statement/prospectus. You may obtain the information incorporated by reference without charge by following the instructions under Where You Can Find Additional Information. You should carefully read this proxy statement/prospectus as well as additional information described under Incorporation of Certain Information by Reference, before deciding to invest in shares of our common stock.

You should rely only on the information contained in this proxy statement/prospectus and the information incorporated by reference in this proxy statement/prospectus. We have not authorized anyone to provide you with information that is different. This proxy statement/prospectus may only be used where it is legal to sell these securities. The information in this proxy statement/prospectus is only accurate on the date of this proxy statement/prospectus, regardless of the time of delivery of this proxy statement/prospectus or any sale of shares of our common stock.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSED TRANSACTIONS AND THE HORIZON SPECIAL MEETING OF STOCKHOLDERS AND VOTING

The following are answers to some of the questions you may have as a stockholder of Horizon. These questions and answers only highlight some of the information contained in this proxy statement/prospectus. They may not contain all the information that is important to you. You should carefully read this entire proxy statement/prospectus, including the Annexes and the documents incorporated by reference into this proxy statement/prospectus, to understand fully the proposed transactions and the voting procedures for the Horizon Special Meeting of stockholders. All references in this proxy statement/prospectus to:

Horizon refer to Horizon Pharma, Inc., a Delaware corporation;

Vidara Holdings refer to Vidara Therapeutics Holdings LLC, a Delaware limited liability company;

Vidara refer to Vidara Therapeutics International Limited, a private limited company formed under the laws of Ireland that will be re-registered as a public limited company, a wholly-owned subsidiary of Vidara Holdings;

Vidara U.S. refer to Vidara Therapeutics, Inc., a Delaware corporation and a wholly-owned subsidiary of Vidara Holdings;

Vidara Group refer to Vidara and its subsidiaries and Vidara U.S.;

New Horizon refer to Vidara following the completion of the reorganization described in this proxy statement/prospectus at which time Vidara will change its name to Horizon Pharma plc;

New Horizon ordinary shares refer to the ordinary shares of Vidara following the completion of the reorganization described in this proxy statement/prospectus;

U.S. HoldCo refer to Hamilton Holdings (USA), Inc., a Delaware corporation and indirect wholly-owned subsidiary of Vidara;

Merger Sub refer to Hamilton Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of U.S. HoldCo;

the Merger Agreement refer to the Transaction Agreement and Plan of Merger, dated as of March 18, 2014, by and among Horizon, Vidara Holdings, Vidara, U.S. HoldCo and Merger Sub, a copy of which is included

as Annex A to this proxy statement/prospectus, as amended by the First Amendment to Transaction Agreement and Plan of Merger, dated as of June 12, 2014, by and between Horizon and Vidara Holdings, a copy of which is included as Annex A-1 to this proxy statement/prospectus;

the Merger refer to the merger between Merger Sub and Horizon, with Horizon as the surviving corporation that will occur pursuant to the Merger Agreement;

the closing refer to the closing of the Merger, and the date on which the closing occurs is referred to as the closing date ; and

the effective time refer to effective time of the consummation of the Merger, which will occur when the certificate of merger is filed with the Secretary of State of the State of Delaware (or at such later time as may be agreed by the parties and specified in the certificate of merger) immediately following the closing.

Unless otherwise indicated, all references to dollars or $ in this proxy statement/prospectus are references to U.S. dollars, and all references to euro or in this proxy statement/prospectus are references to the legal currency of those members of the European Union that have adopted the euro as their national currency.

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Q: Why am I receiving this proxy statement/prospectus?

A: This proxy statement/prospectus is being provided to Horizon stockholders as part of a solicitation of proxies by the Horizon board of directors for use at the Special Meeting of Horizon stockholders, which is referred to in this proxy statement/prospectus as the Special Meeting, and at any adjournments or postponements of such meeting. In addition, this proxy statement/prospectus constitutes a prospectus for New Horizon in connection with the issuance by New Horizon of ordinary shares and the assumption and conversion of Horizon warrants in connection with the Merger. This proxy statement/prospectus also provides Horizon stockholders with information they need to be able to vote or instruct their vote to be cast at the Special Meeting.

Q: Where and when will the Special Meeting be held?

A: The Special Meeting will be held on , , 2014, at Central Time, at the offices of Horizon located at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015. Directions to the Horizon Special Meeting may be found at *www.horizonpharma.com*. Information on how to vote in person at the Horizon Special Meeting is discussed below.

Q: What are the proposals on which I am being asked to vote?

A: There are six matters scheduled for a vote at the Horizon Special Meeting:

Proposal to adopt the Merger Agreement and approve the Merger (Proposal 1);

Proposal to approve, on an advisory basis, certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement (Proposal 2);

Proposal to approve the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan (Proposal 3);

Proposal to approve the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan (Proposal 4);

Proposal to approve the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan (Proposal 5); and

Proposal to approve the adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Special Meeting to adopt the Merger Agreement and approve the Merger (Proposal 6).

Q: What if another matter is properly brought before the meeting?

A: The Board of Directors of Horizon knows of no other matters that will be presented for consideration at the Horizon Special Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on those matters in accordance with their best judgment.

Q: What is the reorganization?

A: Prior to the effective time of the Merger, Vidara will carry out a reorganization of its capital structure (the reorganization). The reorganization consists of a series of corporate actions as a result of which: (i) Vidara has formed a new non-resident Irish company that is a tax resident in Bermuda referred to as Newco, (ii) Vidara has assigned all of its contracts and has sold and transferred all of its intellectual property to Newco in exchange for a promissory note with an original principal amount equal to the fair market value of such assets, which will be repaid in consideration for the issuance of two promissory notes of the same

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aggregate original principal amount, one of which will be repaid in cash on the closing date, (iii) Vidara has moved its tax residence from Bermuda to Ireland, (iv) Vidara will create a new class of ordinary shares denominated in US dollars (as well as create additional euro-denominated share capital up to a par value of 40,000) such that the aggregate number of US dollar-denominated ordinary shares shall be sufficient to cover the ordinary shares to be issued in exchange for the outstanding shares of Horizon common stock and shares of Horizon common stock reserved for issuance under outstanding Horizon equity awards and warrants and Horizon s outstanding convertible notes, and ordinary shares and bonus shares equal to 31,350,000 shares representing Vidara Holdings agreed shareholdings in New Horizon following the closing and a bonus issue of shares to be held by Vidara Holdings and redeemed by Vidara from distributable reserves for cash as of the closing, (v) Vidara will be re-registered as a public limited company in Ireland, (vi) Vidara will redeem the bonus issue of shares for cash in the amount of $200,000,000 plus cash on hand at Vidara on the closing date, less Vidara s unpaid indebtedness and unpaid transaction expenses, and plus or minus an adjustment to the extent that Vidara working capital as of the closing is more or less than target working capital of $123,000 and (vii) Vidara will be renamed Horizon Pharma plc.

Q: What is the Merger?

A: Following the completion of the reorganization and assuming the satisfaction (or waiver, to the extent permissible) of the closing conditions, Merger Sub will merge with and into Horizon, with Horizon as the surviving corporation becoming a wholly-owned subsidiary of U.S. HoldCo and an indirect wholly-owned subsidiary of New Horizon. At the effective time, among other things, (i) each share of Horizon common stock then issued and outstanding will be canceled and automatically converted into and become the right to receive one ordinary share of New Horizon and (ii) each outstanding warrant to acquire Horizon s common stock will be converted into a warrant to acquire, on substantially the same terms and conditions as were applicable under such warrant before the effective time, the number of New Horizon ordinary shares equal to the number of shares of Horizon common stock otherwise purchasable pursuant to such warrant. Upon consummation of the merger, the stockholders of Horizon are expected to own approximately 74% of New Horizon on a fully diluted basis.

Q: What are Horizon s reasons for the Merger?

A: Horizon believes that the Merger is likely to result in significant strategic and financial benefits to New Horizon, which would accrue to the Horizon stockholders as stockholders of New Horizon, including that New Horizon would broaden its portfolio of marketed pharmaceutical products with the addition of Vidara s ACTIMMUNE® therapy for the treatment of *chronic granulomatous disease* and *severe, malignant osteopetrosis*. Horizon also believes New Horizon will have a strong overall financial position, with expected pro forma combined full year revenues in 2014 of over $250 million and an efficient corporate structure based in Ireland. See *The Reorganization and the Merger Horizon s Reasons for the Merger and Recommendations of Horizon s Board of Directors*.

Q: Why am I being asked to approve new benefit plans?

A:

The Horizon board of directors is recommending that Horizon stockholders approve the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan, the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan and the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan. The Horizon board of directors believes approving the 2014 Equity Incentive Plan, the 2014 Non-Employee Equity Plan and the 2014 Employee Stock Purchase Plan is necessary for purposes of compliance with the requirements of applicable Irish laws, to permit grants of equity awards to employees, non-employee directors and consultants of New Horizon and its subsidiaries following the Merger and to permit the grant of purchase rights under offerings of New Horizon and its subsidiaries following the Merger.

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Q: What are the voting recommendations of the Horizon board of directors?

A: After careful consideration, the Horizon board of directors has approved and declared advisable the Merger Agreement and Merger, and has determined that the Merger Agreement and the Merger are fair to and in the best interests of Horizon and its stockholders. The Horizon board of directors recommends that you vote your shares:

For approval of the adoption of the Merger Agreement and approval of the Merger (Proposal 1);

For approval, on an advisory basis, of certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement (Proposal 2);

For approval of the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan (Proposal 3);

For approval of the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan (Proposal 4);

For approval of the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan (Proposal 5); and

For adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Special Meeting to adopt the Merger Agreement and approve the Merger (Proposal 6).

Q: How many shares will Horizon s executive officers and directors be entitled to vote at the Special Meeting? Have they entered into voting agreements?

A: As of the record date, Horizon s executive officers and directors, together with the stockholders with which certain of Horizon s directors and former directors are affiliated or associated, had the right to vote approximately shares of Horizon common stock, representing approximately % of the Horizon common stock then outstanding and entitled to vote at the Special Meeting. Horizon expects that its executive officers and directors, and the stockholders with which certain of Horizon s directors and former directors are affiliated or associated, will vote For each of the proposals described in the question above.

In addition, Horizon s executive officers, directors and certain of the stockholders with which certain of Horizon s directors or former Horizon directors are affiliated or associated entered into voting agreements with Horizon and Vidara pursuant to which these stockholders agreed, among other things, to vote their shares of Horizon common stock in favor of the adoption of the Merger Agreement and approval of the Merger (Proposal 1), and in favor of any proposal to adjourn or postpone the Special Meeting to a later date if there are not sufficient votes in favor of the adoption of the Merger Agreement (Proposal 6). These stockholders also granted Vidara irrevocable proxies to vote their shares of Horizon common stock in favor of, among other things, the adoption of the Merger Agreement and

approval of the Merger, and any proposal to adjourn or postpone the Special Meeting to a later date if there are not sufficient votes in favor of the adoption of the Merger Agreement and approval of the Merger. Approximately shares of Horizon common stock, which represent approximately % of the outstanding shares of Horizon common stock as of the record date, are subject to these voting agreements and irrevocable proxies. For more information regarding the voting agreements, see the section entitled *Other Related Agreements The Voting Agreements.*

Q: What will the Horizon stockholders receive as consideration in the Merger?

A: If the Merger is consummated, each share of Horizon common stock issued and outstanding immediately prior to the effective time will be canceled and automatically converted into and become the right to receive one ordinary share of New Horizon. The one-for-one conversion ratio, which is referred to in this proxy statement/prospectus as the exchange ratio, is fixed. The exchange ratio will not fluctuate up or down

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based on the market price of a share of Horizon common stock prior to the Merger. Following the Merger, Horizon common stock will be delisted from The NASDAQ Global Market, which is referred to in this proxy statement/prospectus as NASDAQ. There are no plans to publicly list the warrants to purchase New Horizon ordinary shares into which outstanding warrants to purchase Horizon common stock will be converted in the Merger. The New Horizon ordinary shares to be issued to the Horizon stockholders will be registered with the U.S. Securities and Exchange Commission, which is referred to in this proxy statement/prospectus as the SEC, and are expected to be listed and traded on NASDAQ under the symbol HZNP, the same NASDAQ trading symbol currently used for Horizon common stock.

Q: What percentage of New Horizon ordinary shares will the Horizon security holders and Vidara shareholders own following the proposed transactions?

A: Immediately following the Merger, the former security holders of Horizon are expected to own approximately 74% of New Horizon on a fully diluted basis excluding any shares that may be issued upon the conversion of the convertible notes, and Vidara Holdings, the sole historical shareholder of Vidara, is expected to own approximately 26% of New Horizon on a fully diluted basis.

Q: Is the sole shareholder of Vidara receiving any other consideration in connection with the proposed transactions?

A: Yes. At the closing of the Merger, Vidara Holdings will receive a cash payment equal to $200 million, plus the cash of Vidara and its subsidiaries as of closing, less the indebtedness of Vidara and its subsidiaries and less transaction expenses of Vidara and its subsidiaries paid by New Horizon at or following the closing, plus or minus an adjustment to the extent that Vidara s working capital (exclusive of cash) as of the closing exceeds or is less than target working capital of $123,000.

Q. Does Horizon have to complete a financing to fund the cash consideration being paid to the Vidara Holdings?

A: Yes, Horizon does not have $200 million in available cash to fund the cash consideration and has entered into a credit agreement with a group of lenders to provide Horizon with $300.0 million in financing through a five year senior secured term loan facility. Although completion of the term loan facility is not a condition to closing under the Merger Agreement, Horizon will need to close the term loan facility or an alternative financing in order to consummate the Merger and the transactions contemplated by the Merger Agreement.

Q: How are Horizon stock options treated in the Merger?

A: At the effective time, each outstanding option under the Horizon equity incentive plans will be converted into an option to acquire, on substantially the same terms and conditions as were applicable under such option immediately prior to the Merger, the number of New Horizon ordinary shares equal to the number of shares of

Horizon common stock subject to such option immediately prior to the effective time, at an exercise price per New Horizon ordinary share equal to the exercise price per share of Horizon common stock otherwise purchasable pursuant to such option.

Q: How are other Horizon equity awards treated in the Merger?

A: At the effective time, each other equity award that is outstanding under the Horizon equity incentive plans will be converted into a right to receive, on substantially the same terms and conditions as were applicable under such equity award immediately prior to the effective time, the number of New Horizon ordinary shares equal to the number of shares of Horizon common stock subject to such equity award immediately prior to the effective time. The other equity awards expected to be outstanding as of the effective time are purchase rights under ongoing offerings under the Horizon 2011 Employee Stock Purchase Plan and rights to receive shares upon vesting of outstanding restricted share units.

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Q: How are Horizon warrants treated in the Merger?

A: At the effective time, each outstanding warrant to acquire Horizon common stock will be converted into a warrant to acquire, on substantially the same terms and conditions as were applicable under such warrant immediately prior the effective time, the number of New Horizon ordinary shares equal to the number of shares of Horizon common stock subject to such warrant immediately prior to the effective time, at an exercise price per New Horizon ordinary share equal to the exercise price per share of Horizon common stock otherwise purchasable pursuant to such warrant. Certain outstanding warrants to acquire Horizon common stock expire as of the closing if not exercised prior to the closing.

Q: What is required to complete the proposed transactions?

A: The obligation of Horizon and the Vidara parties to consummate the Merger and the transactions contemplated by the Merger Agreement is subject to certain conditions, including conditions with respect to the receipt of approval of the Merger Agreement by Horizon stockholders; accuracy of representations and warranties of the other party to the applicable standard provided by the Merger Agreement; compliance by the other party with its covenants in the Merger Agreement in all material respects; absence of a material adverse effect on the other party s business, assets, financial condition or results of operations (subject to certain exceptions) since the date of the Merger Agreement; satisfaction or early termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to in this proxy statement/prospectus as the HSR Act (early termination of the waiting period under the HSR Act was granted effective April 11, 2014); approval for listing of the New Horizon ordinary shares to be issued in the Merger and the New Horizon ordinary shares held by the sole historical shareholder of Vidara as of the effective time; delivery of all closing deliverables; absence of any temporary restraining order, preliminary or permanent injunction or other order preventing the Merger or other transactions contemplated by the Merger Agreement; and the effectiveness of the registration statement of which this proxy statement/prospectus forms a part, as well as other customary closing conditions. In addition, Horizon s obligation to consummate the Merger is subject to completion of the reorganization and general releases being entered into by Vidara Holdings and certain employees of Vidara for the benefit of Vidara and its subsidiaries. Please see *Agreement and Plan of Merger and Reorganization Conditions to the Completion of the Merger*.

Q: Will appraisal rights be available for dissenting Horizon stockholders?

A: Appraisal rights are not available to Horizon stockholders in connection with the Merger.

Q: When are the Merger and reorganization expected to be completed?

A: As of the date of this proxy statement/prospectus, the Merger and reorganization are expected to be completed in the third quarter of 2014. However, no assurance can be provided as to when or if the Merger and reorganization will occur. The required vote of Horizon stockholders to adopt the Merger Agreement at the Special Meeting, as well as the necessary regulatory consents and approvals, must first be obtained and certain other conditions

specified in the Merger Agreement must be satisfied or, to the extent permissible, waived.

Q: What will be the relationship between Horizon and New Horizon after the proposed transactions?

A: Following completion of the proposed transactions, Horizon will be an indirect wholly-owned subsidiary of New Horizon. Horizon will be treated as the accounting acquirer following completion of the Merger and its financial statements issued after the completion of the Merger will include the operations of New Horizon beginning on the effective date of the Merger. Please see *The Reorganization and the Merger Accounting Treatment of the Merger*.

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Q: What are the material U.S. federal income tax consequences of the Merger to U.S. stockholders of Horizon?

A: Generally, a U.S. stockholder of Horizon should recognize gain or loss, if any, on the receipt of New Horizon ordinary shares in exchange for shares of Horizon common stock pursuant to the Merger. The amount of gain or loss recognized should equal the difference between the fair market value of the New Horizon ordinary shares received in the Merger and the U.S. stockholder s adjusted tax basis in the shares of Horizon common stock surrendered. Horizon recommends that U.S. holders consult their own tax advisers as to the particular tax consequences of the Merger, including the effect of U.S. federal, state and local tax laws or foreign tax laws. Please see *Certain Tax Consequences of the Merger* for a more detailed description of the U.S. federal income tax consequences of the Merger.

Q: Will transfers of New Horizon ordinary shares be subject to the Irish stamp duty?

A: Transfers of New Horizon ordinary shares could be subject to Irish stamp duty. However, transfers of New Horizon ordinary shares effected by means of the transfer of book entry interests in The Depository Trust Company, which is referred to in this proxy statement/prospectus as DTC, will not be subject to Irish stamp duty. If you hold your New Horizon ordinary shares directly (i.e. you are a registered shareholder), any transfer of your New Horizon ordinary shares could be subject to Irish stamp duty (currently at the rate of 1% of the higher of the price paid or the market value of the shares acquired). Payment of Irish stamp duty is generally a legal obligation of the transferee.

Due to the potential Irish stamp duty charge on transfers of New Horizon ordinary shares, it is strongly recommended that those shareholders who do not hold their shares through DTC (or through a broker who in turn holds such shares through DTC) should arrange for the transfer of their Horizon shares into DTC as soon as possible and before the transactions are consummated. It is also strongly recommended that any person who wishes to acquire New Horizon ordinary shares after the effective time of the transactions acquire such shares through DTC (or through a broker who in turn holds such shares through DTC).

The imposition of Irish stamp duty charges could adversely affect the price of your shares and/or your ability to trade your shares.

See *Certain Tax Consequences of the Merger Irish Tax Considerations Stamp Duty* beginning on page 82.

Q: How many votes are needed to approve each proposal?

A: Proposal 1, the adoption of the Merger Agreement and the approval of the Merger, will be approved if it receives For votes from the holders of a majority of shares outstanding on the record date. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have the same effect as an Against vote.

Proposal 2, the approval, on an advisory basis, of certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement, will be approved if it receives For votes from the holders of a majority of shares present in person or by proxy and entitled to vote. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

Proposal 3, the approval of the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan, will be approved if it receives For votes from the holders of a majority of shares present in person or by proxy and entitled to vote. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

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Proposal 4, the approval of the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan, will be approved if it receives For votes from the holders of a majority of shares present in person or by proxy and entitled to vote. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

Proposal 5, the approval of the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan, will be approved if it receives For votes from the holders of a majority of shares present in person or by proxy and entitled to vote. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

Proposal 6, the approval of the adjournment of the Horizon Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Horizon Special Meeting to adopt the Merger Agreement and approve the Merger, will be approved if it receives For votes from the holders of a majority of shares present in person or by proxy and entitled to vote. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

Q: Who can vote at the Horizon Special Meeting?

A: Only stockholders of record of Horizon at the close of business on , 2014 will be entitled to vote at the Special Meeting. If on , 2014 your shares were registered directly in your name with Horizon s transfer agent, Computershare Trust Company, then you are a stockholder of record. As a stockholder of record, you may vote in person at the Special Meeting or vote by proxy. Whether or not you plan to attend the Special Meeting, Horizon urges you to vote by proxy over the telephone or on the internet as instructed below, or fill out and return a proxy card.

If on , 2014 your shares were held not in your name, but rather in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in street name and this proxy statement/prospectus is being sent to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Special Meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares in your account by following the instructions that the broker, bank or other nominee provides you along with this proxy statement/prospectus. You are also invited to attend the Special Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Special Meeting unless you request and obtain a valid proxy from your broker or other agent.

Q: What is the quorum requirement?

A: A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority of the outstanding shares entitled to vote are present at the meeting in person or represented by proxy. On the record date, there were shares outstanding and entitled to vote. Thus, the holders of shares must be present in person or represented by proxy at the meeting to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the meeting. Abstentions and broker non-votes will

be counted towards the quorum requirement. If there is no quorum, the holders of a majority of shares present at the meeting in person or represented by proxy may adjourn the meeting to another date.

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Q: How do I vote?

A: For each of the matters to be voted on, you may vote For or Against or abstain from voting. The procedures for voting are fairly simple:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the Horizon Special Meeting, vote by proxy using the enclosed proxy card, vote by proxy over the telephone, or vote by proxy through the internet. Whether or not you plan to attend the meeting, Horizon urges you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person even if you have already voted by proxy.

To vote in person, come to the Horizon Special Meeting and Horizon will give you a ballot when you arrive.

To vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the envelope provided. If you return your signed proxy card to Horizon before the Horizon Special Meeting, Horizon will vote your shares as you direct.

To vote over the telephone, dial toll-free 1-800-652-VOTE (8683) using a touch-tone phone and follow the recorded instructions. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 p.m., Eastern Time on , 2014, to be counted.

To vote through the internet, go to http://www.envisionreports.com/hznp to complete an electronic proxy card. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 p.m. Eastern Time on , 2014, to be counted.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received a voting instruction form with these proxy materials from that organization rather than from Horizon. Simply complete and mail the voting instruction form to ensure that your vote is counted. Alternatively, you may vote by telephone or through the internet as instructed by your broker or bank. To vote in person at the Horizon Special Meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy form.

Internet proxy voting is being provided to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your internet access, such as usage charges from internet access providers

and telephone companies.

Q: If my shares are held in street name by my bank, broker or other agent, will my bank, broker or other agent vote my shares for me?

A: Only if you provide your bank, broker or other agent with instructions on how to vote your shares. If you do not provide the organization that holds your shares with specific instructions, under the rules of various national and regional securities exchanges, the organization that holds your shares may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization that holds your shares will inform the inspector of elections for the Special Meeting that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a broker non-vote. When Horizon s inspector of elections tabulates the votes for any particular matter, broker non-votes

will be counted for purposes of determining whether a quorum is present, but will not be counted toward the vote total for any proposal other than Proposal 1. On Proposal 1, a broker non-vote will have the effect as a vote against the adoption of the Merger Agreement and approval of the Merger. Horizon expects that each of the proposals presented at the Special Meeting will be considered non-routine matters, so Horizon encourages you to provide voting instructions to the organization that holds your shares to ensure that your vote is counted on all eleven proposals.

Q: How many votes do I have?

A: On each matter to be voted upon, you have one vote for each share of Horizon common stock you own as of , 2014.

Q: What happens if I do not vote?

A: *Stockholder of Record: Shares Registered in Your Name*
If you are a stockholder of record and do not vote by completing your proxy card, by telephone, through the internet or in person at the Horizon Special Meeting, your shares will not be voted.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If you are a beneficial owner and do not instruct your broker, bank, or other agent how to vote your shares, the question of whether your broker or nominee will still be able to vote your shares depends on whether the New York Stock Exchange (NYSE) deems the particular proposal to be a routine matter. Brokers and nominees can use their discretion to vote uninstructed shares with respect to matters that are considered to be routine, but not with respect to non-routine matters. Under the rules and interpretations of the NYSE, non-routine matters are matters that may substantially affect the rights or privileges of stockholders, such as mergers, stockholder proposals, elections of directors (even if not contested), executive compensation (including any advisory stockholder votes on executive compensation) and certain corporate governance proposals, even if management-supported. Accordingly, your broker or nominee may not vote your shares on any of the proposals without your instructions.

Q: What if I return a proxy card or otherwise vote but do not make specific choices?

A: If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable, FOR the adoption of the Merger Agreement and the approval of the Merger, FOR the approval, on an advisory basis, of certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement, FOR the approval of the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan, FOR the approval of the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan, FOR the approval of the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan and FOR the approval of the adjournment of the Horizon Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Horizon Special Meeting to adopt the Merger Agreement and approve the Merger. If any other matter is properly presented at the

meeting, your proxy holder (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

Q: Should I send in my stock certificates now?

A: No. Horizon stockholders should keep their existing stock certificates at this time. After the proposed Merger and reorganization are completed, you will receive written instructions for exchanging your Horizon stock certificates for New Horizon ordinary shares. Because of the potential Irish stamp duty on transfer of New Horizon ordinary shares, Horizon strongly recommends that all directly registered Horizon stockholders open broker accounts so they can transfer their shares of Horizon common stock into DTC prior to their exchange for New Horizon ordinary shares.

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Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus, including the Annexes and the documents incorporated by reference, please vote your shares of Horizon common stock as described in *Questions and Answers About the Proposed Transactions and the Horizon Special Meeting of Stockholders and Voting How do I vote?* Whether or not you plan to attend the Special Meeting, Horizon urges you to vote by proxy to ensure your vote is counted.

Q: Can I change my vote after submitting my proxy?

A: *Stockholder of Record: Shares Registered in Your Name*
Yes. You can revoke your proxy at any time before the final vote at the meeting. If you are the record holder of your shares, you may revoke your proxy in any one of the following ways:

You may submit another properly completed proxy card with a later date.

You may grant a subsequent proxy by telephone or through the internet.

You may send a timely written notice that you are revoking your proxy to Horizon s Secretary at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015.

You may attend the Horizon Special Meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

Your most current proxy card or telephone or internet proxy is the one that is counted.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank.

Q: How are votes counted?

A: Votes will be counted by the inspector of election appointed for the meeting, who will separately count, with respect to the proposal to elect directors, votes For, Withhold and broker non-votes, and with respect to other proposals, votes For and Against, abstentions and broker non-votes. Abstentions will be counted for purposes of determining the presence of a quorum at the meeting but will not be voted at the meeting and will have the same effect as Against votes for all proposals. Horizon does not believe that brokers have authority to vote on any of

the proposals. Broker non-votes on Proposal 1 will have the effect of a vote Against Proposal 1. Broker non-votes will have no effect on the outcome of Proposals 2 through 6.

Q: What are broker non-votes ?

A: As discussed above, when a beneficial owner of shares held in street name does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed by the NYSE to be non-routine, the broker or nominee cannot vote the shares. These un-voted shares are counted as broker non-votes.

Q: What happens if I sell my shares of Horizon common stock after the record date but before the Special Meeting?

A: If you transfer your Horizon common stock after the record date but before the date of the Special Meeting, you will retain your right to vote at the Special Meeting. However, you will not have the right to receive any New Horizon ordinary shares in exchange for your former shares of Horizon common stock if and when the Merger is completed. In order to receive New Horizon ordinary shares in exchange for your shares of Horizon common stock, you must hold your Horizon common stock through the completion of the Merger.

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Q: Who is paying for this proxy solicitation?

A: Horizon has retained MacKenzie Partners, Inc. (MacKenzie), a proxy solicitation firm, to solicit proxies in connection with the Horizon Special Meeting at a cost of approximately $35,000 plus expenses. The cost of soliciting proxies incurred by Horizon and MacKenzie, including the preparation, assembly and mailing of the proxies and soliciting material, as well as the cost of forwarding such material to beneficial owners of Horizon s common stock, will be borne by Horizon. Directors, officers and regular employees of Horizon may, without compensation other than their regular remuneration, solicit proxies personally or by telephone.

Q: What does it mean if I receive more than one set of proxy materials?

A: If you receive more than one set of proxy materials, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on the proxy cards in the proxy materials to ensure that all of your shares are voted.

Q: How can I find out the results of the voting at the Horizon Special Meeting?

A: Preliminary voting results will be announced at the Horizon Special Meeting. In addition, final voting results will be published in a current report on Form 8-K that Horizon expects to file within four business days after the Horizon Special Meeting. If final voting results are not available to Horizon in time to file a Form 8-K within four business days after the meeting, Horizon intends to file a Form 8-K to publish preliminary results and, within four business days after the final results are known to Horizon, file an additional Form 8-K to publish the final results.

Q: What proxy materials are available on the internet?

A: The proxy statement/prospectus and the Horizon Annual Report on Form 10-K are available at *www.envisionreports.com/hznp.*

Q: Who can help answer my questions?

A: If you have any questions about the proposed transactions, need assistance in voting your shares, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact Horizon or its proxy solicitor, MacKenzie, as follows:

Horizon Pharma, Inc.

Attn: Investor Relations

MacKenzie Partners, Inc.

105 Madison Avenue

520 Lake Cook Road, Suite 520

Deerfield, IL 60015

(224) 383-3000

New York, NY 10016

(212) 929-5500

Q: Where can I find more information about Horizon?

A: You can find more information about Horizon from the various sources described under *Where You Can Find More Information*.

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SUMMARY

This summary highlights selected information contained in this proxy statement/prospectus and may not contain all of the information that is important to you. You should read carefully this entire proxy statement/prospectus, including the Annexes and the documents incorporated by reference, to fully understand the proposed transactions and the voting procedures for the Special Meeting. See also the section entitled Where You Can Find More Information beginning on page 261 of this proxy statement/prospectus. The page references have been included in this summary to direct you to a more complete description of the topics presented below.

The Companies (Page 86)

Horizon Pharma, Inc.

520 Lake Cook Road, Suite 520

Deerfield, IL 60015

(224) 383-3000

Horizon Pharma, Inc. is a commercial stage, specialty pharmaceutical company that markets DUEXIS®, VIMOVO® and RAYOS®/LODOTRA®, which target unmet therapeutic needs in arthritis, pain and inflammatory diseases. The Company s strategy is to develop, acquire or in-license additional innovative medicines where it can execute a targeted commercial approach among specific target physicians such as primary care physicians, orthopedic surgeons and rheumatologists, while taking advantage of its commercial strengths and the infrastructure the Company has put in place. For more information, please visit www.horizonpharma.com.

Vidara Therapeutics Holdings LLC

c/o DFW Capital Partners

300 Frank W. Burr Blvd., Suite 5

Teaneck, NJ 07666

Vidara Therapeutics Holdings LLC is a Delaware limited liability company and is the parent company of Vidara and Vidara U.S. Vidara Holdings conducts no operations and holds no assets other than the equity interests of Vidara and Vidara U.S. Prior to the Merger, Vidara Holdings owns all of the ordinary shares of Vidara and Vidara U.S. Immediately following the Merger, Vidara Holdings will own approximately 26% of New Horizon, on a fully diluted basis.

Vidara Therapeutics International Limited

c/o Virinder Nohria, M.D., Ph.D.

Adelaide Chambers, Peter Street, Dublin 8, Ireland

Vidara Therapeutics International Limited is a privately-held, specialty pharmaceutical company with operations in Dublin, Ireland. The Vidara Group markets ACTIMMUNE®, a bioengineered form of interferon gamma-1b, a protein

that acts as a biologic response modifier, in the United States. ACTIMMUNE is approved by the U.S. Food and Drug Administration for use in children and adults with *chronic granulomatous disease* (CGD) and *severe, malignant osteopetrosis* (SMO). Additional information is available at Vidara s website at www.vidararx.com.

Prior to the completion of the Merger, Vidara will be renamed Horizon Pharma plc.

Hamilton Holdings (USA), Inc.

c/o Virinder Nohria, M.D., Ph.D.

1000 Holcomb Woods Parkway, Suite 270, Roswell, Georgia 30076

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Hamilton Holdings (USA), Inc., is a Delaware corporation formed as part of the restructuring of Vidara to hold U.S. subsidiaries of New Horizon and is referred to as U.S. HoldCo. U.S. HoldCo owns all of the outstanding capital stock of Hamilton Merger Sub, Inc. U.S. HoldCo has not conducted any activities other than those incidental to its formation and the matters contemplated by the Merger Agreement.

Hamilton Merger Sub, Inc.

c/o Virinder Nohria, M.D., Ph.D.

1000 Holcomb Woods Parkway, Suite 270, Roswell, Georgia 30076

Hamilton Merger Sub, Inc., referred to as Merger Sub, a wholly-owned subsidiary of U.S. HoldCo, is a Delaware corporation formed solely for the purpose of effecting the Merger with Horizon. Upon the terms and conditions set forth in the Merger Agreement, Merger Sub will be merged with and into Horizon and the separate existence of Merger Sub will cease. Horizon will be the surviving corporation in the Merger as an indirect wholly-owned subsidiary of New Horizon. Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the Merger Agreement.

The Reorganization and the Merger (Page 37)

On March 18, 2014, Horizon, Vidara Holdings, a Delaware limited liability company, Vidara, an Irish private limited company, U.S. HoldCo, a Delaware corporation and an indirect wholly-owned subsidiary of Vidara, and Merger Sub, a Delaware corporation and a wholly-owned subsidiary of U.S. HoldCo, entered into a Transaction Agreement and Plan of Merger (the Merger Agreement). The Merger Agreement provides that, upon the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will merge with and into Horizon, with Horizon continuing as the surviving corporation and as a wholly-owned, indirect subsidiary of Vidara (the Merger), and that Vidara will change its name to Horizon Pharma plc (New Horizon).

Immediately following the proposed transaction, stockholders of Horizon are expected to own approximately 74 percent of New Horizon on a fully diluted basis, and Vidara Holdings, the sole historical shareholder of Vidara, is expected to own approximately 26 percent of New Horizon on a fully diluted basis, in each case, excluding the shares that may be issued on the conversion of the 5.00% Convertible Senior Notes due 2018. Stockholders of Horizon would receive one ordinary share of New Horizon in exchange for each whole share of Horizon common stock they own at closing. The combined company is expected to have a capitalization of approximately 122 million ordinary shares, on a fully diluted basis. New Horizon would be a U.S. Securities and Exchange Commission reporting company, and its ordinary shares are expected to trade on NASDAQ. The transaction will be taxable to the Horizon U.S. stockholders.

Post-Merger Management of New Horizon (Page 199)

Timothy P. Walbert, chairman, president and chief executive officer of Horizon would be chairman, president and chief executive officer of New Horizon and current officers of Horizon would be officers of New Horizon. Vidara executives would join New Horizon in important leadership and management roles within the combined company. Horizon expects that each of its current directors (other than Jeffrey W. Bird, M.D., Ph.D.), plus one additional director to be nominated by Vidara Holdings, who will initially be Virinder Nohria, M.D., Ph.D., will become directors of New Horizon pursuant to the Merger Agreement.

Horizon s Reasons for the Merger (Page 43)

In reaching its conclusion to approve the Merger Agreement, the Horizon board of directors considered a number of factors in its deliberations and concluded that the Merger is likely to result in significant strategic and financial benefits to New Horizon, which would accrue to the Horizon stockholders, as shareholders of New Horizon, including that:

The combination of Horizon and Vidara as New Horizon would accelerate the date by which Horizon is expected to become a profitable specialty pharmaceutical company;

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New Horizon would have a broader revenue base resulting from a deeper portfolio of marketed drugs, including Horizon s DUEXIS®, VIMOVO® and RAYOS® marketed in the United States, Vidara s ACTIMMUNE® marketed in the United States and Horizon s LODOTRA® marketed outside the United States;

New Horizon would have a strong overall financial position, with expected pro forma combined full year revenue in 2014 of $270 to $280 million and expected pro forma combined full year adjusted EBITDA, excluding transaction expenses, of $80 to $90 million in 2014 (in each case, assuming the Merger occurred on or before July 31, 2014);

New Horizon would have an efficient corporate structure based in Ireland to support New Horizon s organic growth and acquisition strategy with the expected non-GAAP effective tax rate in the low 20% range compared to the non-GAAP effective tax rate in the high 30% range that was expected for Horizon as it transitioned to tax paying status;

The Horizon board of directors belief that New Horizon s anticipated market capitalization, strong balance sheet, free cash flow, liquidity and capital structure would enhance New Horizon s ability to execute on its strategy of both organic growth and growth through acquisitions and in-licensing; and

The Horizon board of directors belief that New Horizon would be able to leverage the commercial and specialty product marketing experience of Horizon in maximizing the potential of ACTIMMUNE.

See also the factors listed in *The Reorganization and the Merger Horizon s Reasons for the Merger and Recommendation of Horizon s Board of Directors*, beginning on page 43 of this proxy statement/prospectus.

Recommendations of Horizon s Board of Directors (Page 43)

After careful consideration, the Horizon board of directors has approved and declared advisable the Merger Agreement and the Merger, and has determined that the Merger Agreement and the Merger are fair to and in the best interests of Horizon and its stockholders. The Horizon board of directors has adopted resolutions approving the Merger Agreement, recommending that the holders of Horizon common stock vote to adopt the Merger Agreement and approve the Merger and directing that the Merger Agreement and Merger be submitted to a vote of the Horizon stockholders. The Horizon board of directors recommends that you vote FOR the adoption of the Merger Agreement and approval of the Merger, and FOR the other proposals described in this proxy statement/prospectus.

Opinion of Horizon s Financial Advisor (Page 49)

Citigroup Global Markets Inc., referred to as Citi, delivered a written opinion to Horizon s board of directors on March 18, 2014 that, as of such date, the Transaction Consideration was fair, from a financial point of view, to Horizon and its stockholders (other than Vidara and its affiliates). Transaction Consideration is defined herein as the 31,350,000 ordinary shares of Vidara to be retained by Vidara Holdings (the Vidara Shares) and the $200,000,000 in cash payable to Vidara Holdings at closing (the Cash Consideration).

The full text of the written opinion of Citi, dated March 18, 2014, which contains assumptions made, procedures followed, matters and factors considered and limitations and qualifications on the review undertaken in connection

with the opinion, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. The opinion should be read in its entirety. Citi s financial advisory services and opinion were provided for the information and assistance of Horizon s board of directors in connection with its consideration of the proposed transaction. Citi was not requested to consider, and its opinion did not address, the underlying business decision of Horizon to effect the transaction, the relative merits of the transaction as compared to any alternative business strategy or transaction that might exist for Horizon or the effect of any other transaction in which Horizon might engage. Under the terms of its engagement, Citi has acted as an independent contractor, not as an agent or fiduciary. **Citi s opinion is not intended to be and does not constitute a recommendation as to how any stockholder should vote or act on any matter relating to the transaction, or otherwise.**

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The Special Meeting of Horizon Stockholders (Page 1)

Date, Time & Place of the Horizon Special Meeting

Horizon will hold a Special Meeting on , , 2014, at Central Time, at the offices of Horizon located at 520 Lake Cook Road, Suite 520, Deerfield, IL 60015.

Proposals

At the Special Meeting, Horizon stockholders will vote upon proposals to:

- Adopt the Merger Agreement and approve the Merger (Proposal 1);
- Approve, on an advisory basis, certain compensatory arrangements between Horizon and its named executive officers relating to the Merger contemplated by the Merger Agreement (Proposal 2);
- Approve the Horizon Pharma Public Limited Company 2014 Equity Incentive Plan (Proposal 3);
- Approve the Horizon Pharma Public Limited Company 2014 Non-Employee Equity Plan (Proposal 4);
- Approve the Horizon Pharma Public Limited Company 2014 Employee Stock Purchase Plan (Proposal 5); and
- Approve the adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the Special Meeting to adopt the Merger Agreement and approve the Merger (Proposal 6).

Record Date; Outstanding Shares; Shares Entitled to Vote

Only stockholders of record of Horizon at the close of business on , 2014 will be entitled to vote at the Special Meeting. On this record date, there were shares of common stock outstanding and entitled to vote. Each share of Horizon common stock outstanding as of , 2014 is entitled to one vote on each proposal and any other matter properly coming before the Special Meeting.

Stock Ownership and Voting by Horizon s Directors and Officers

As of the record date, Horizon s executive officers and directors, together with the stockholders with which certain of Horizon s directors and former directors are affiliated or associated, had the right to vote approximately shares of Horizon common stock, representing approximately % of the Horizon common stock then outstanding and entitled to vote at the Special Meeting. Horizon expects that its executive officers and directors, and the stockholders with which certain of Horizon s directors are affiliated or associated, will vote For each of the

proposals described above.

Voting Agreements

In addition, the directors and officers of Horizon and certain of the stockholders with which certain of Horizon s directors and former directors are affiliated or associated entered into voting agreements with Horizon and Vidara pursuant to which these stockholders agreed, among other things, to vote their shares of Horizon common stock in favor of the adoption of the Merger Agreement and approval of the Merger, and in favor of any proposal to adjourn or postpone the Special Meeting to a later date if there are not sufficient votes in favor of the adoption of the Merger Agreement. These stockholders also granted Vidara irrevocable proxies to vote their shares of Horizon common stock in favor of, among other things, the adoption of the Merger Agreement and approval of the Merger, and any proposal to adjourn or postpone the Special Meeting to a later date if there are

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not sufficient votes in favor of the adoption of the Merger Agreement and approval of the Merger. Approximately shares of Horizon common stock, which represent approximately % of the outstanding shares of Horizon common stock as of the record date, are subject to these voting agreements and irrevocable proxies. For more information regarding the voting agreements, see the section entitled *Other Related Agreements The Voting Agreements* on page 110 of this proxy statement/prospectus.

Vote Required

The affirmative vote of the holders of at least a majority of the shares of Horizon common stock outstanding on the record date for the Special Meeting is required for approval of Proposal 1. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will also have the same effect as an Against vote. Approval of Proposals 2 through 6 requires an affirmative vote from the holders of at least a majority of the shares of Horizon common stock represented and voting either in person or by proxy at the Special Meeting and entitled to vote. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

The Horizon board of directors recommends that Horizon stockholders vote For each of the proposals set forth above.

Interests of Certain Persons in the Merger (Page 56)

In considering the recommendation of the Horizon board of directors, you should be aware that certain directors and officers of Horizon and Vidara may have interests in the proposed transactions that are different from, or in addition to, your interests as a Horizon stockholder generally and which may create potential conflicts of interest. The Horizon board of directors was aware of these interests and considered them when they adopted the Merger Agreement and approved the transactions contemplated thereby.

Management

Horizon

As of the date of the proxy statement/prospectus, it is expected that the current executive officers of Horizon will be appointed as the executive officers of New Horizon following the Merger. Except as described below under *The Reorganization and the Merger Interests of Certain Persons in the Merger Golden Parachute Compensation*, no member of Horizon s management will receive additional compensation or acceleration of payment of existing compensation on the basis of the transactions contemplated by the Merger Agreement.

Vidara

Certain current key employees of Vidara and its affiliates will continue their employment following the Merger with New Horizon or a subsidiary of New Horizon pursuant to the terms and conditions set forth in employment agreements that were amended in connection with the Merger Agreement. These key employees positions with New Horizon or Vidara will entitle them to compensation.

Certain of the key employees entered into retention bonus agreements with Vidara, which amended all prior employment-related agreements between such employees and Vidara. The retention bonus agreements provide that such employees will continue their employment on the same terms and conditions as their pre-existing employment agreement and that, if such employees remain employed through the earlier of one year after the closing of the Merger and the closing of a change of control of New Horizon, such employee will be entitled to a bonus cash payment.

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Directors

It is expected that all of the current directors of Horizon (other than Jeffrey W. Bird, M.D., Ph.D.) will become directors of New Horizon following the completion of the Merger, and the non-employee directors of New Horizon may be entitled to compensation from New Horizon for such services. Additionally, Vidara Holdings will be entitled to appoint one member to the New Horizon board of directors, which member is expected to initially be Virinder Nohria, M.D., Ph.D. However, as of the date of this proxy statement/prospectus, a final determination as to who will be appointed to the New Horizon board of directors has not been made and the requisite corporate action to appoint the persons who will serve as directors of New Horizon following the completion of the Merger has not been effected; accordingly, the persons who will serve as directors of New Horizon following the completion of the Merger may differ from the persons currently expected to serve in such capacity.

Indemnification **(Page 63)**

New Horizon has agreed to indemnify and hold harmless, for at least six years after the closing of the Merger, all past and present officers and directors of Vidara and its affiliates to the same extent that such persons are currently indemnified by Vidara and its affiliates pursuant to the organizational documents of such entities for acts or omissions occurring on or prior to the closing of the Merger. In addition, New Horizon must maintain for a period of six years from the closing of the Merger the existing policy of directors and officers liability insurance maintained by Vidara and its affiliates, subject to certain limitations, or New Horizon may purchase a directors and officers liability insurance tail policy with a claims period of six years from the closing of the Merger on specified terms.

Certain U.S. Federal Tax Consequences of the Merger to U.S. Stockholders (Page 71)

Horizon expects that generally, a U.S. stockholder of Horizon should recognize gain or loss, if any, on the receipt of New Horizon ordinary shares in exchange for Horizon common stock pursuant to the Merger. The amount of gain or loss recognized should equal the difference between the fair market value of the New Horizon ordinary shares received in the Merger and the U.S. stockholder s adjusted tax basis in the shares of Horizon common stock surrendered. Horizon recommends that U.S. holders consult their own tax advisers as to the particular tax consequences of the Merger, including the effect of U.S. federal, state and local tax laws or foreign tax laws. Please see *Certain Tax Consequences of the Merger* for a more detailed description of the U.S. federal income tax consequences of the Merger.

No Appraisal Rights (Page 85)

Appraisal rights are statutory rights under Delaware law that enable stockholders who object to certain extraordinary transactions to demand that the corporation pay such stockholders the fair value of their shares instead of receiving the consideration offered to stockholders in connection with the extraordinary transaction. However, appraisal rights are not available in all circumstances. Appraisal rights are not available to Horizon stockholders in connection with the Merger.

Regulatory Approvals Required (Page 69)

Under the HSR Act, and the rules and regulations promulgated thereunder by the Federal Trade Commission, which is referred to in this proxy statement/prospectus as the FTC, the Merger cannot be consummated until notifications have been submitted and certain information has been furnished to the Antitrust Division and the FTC, and specified waiting period requirements have been satisfied.

Horizon and Mr. Balaji Venkataraman, the former Executive Chairman of the Vidara Group, each filed a Pre-Merger Notification and Report Form pursuant to the HSR Act with the Antitrust Division and the FTC. The waiting period under the HSR Act was scheduled to expire at 11:59 p.m. Eastern Time on May 1, 2014. However, early termination of the waiting period under the HSR Act was granted effective April 11, 2014.

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Listing of New Horizon Ordinary Shares on NASDAQ (Page 85)

Vidara ordinary shares are not currently traded or quoted on a stock exchange or quotation system. The New Horizon ordinary shares are expected to be listed on The NASDAQ Global Market under the symbol HZNP following the Merger. There are no plans to publicly list the warrants to purchase New Horizon ordinary shares into which outstanding warrants to purchase Horizon common stock will be converted in the Merger.

Conditions to the Completion of the Merger (Page 104)

The completion of the Merger depends upon the satisfaction or waiver of a number of conditions, all of which, to the extent permitted by applicable law, may be waived by Vidara Holdings and/or Horizon, as applicable.

Termination of the Merger Agreement (Page 107)

Either Horizon or Vidara Holdings can terminate the Merger Agreement under certain circumstances, which would prevent the Merger from being consummated.

Accounting Treatment of the Merger (Page 69)

The Merger will be accounted for using the acquisition method of accounting, with Horizon being treated as the accounting acquirer under accounting principles generally accepted in the United States, which are referred to in this proxy statement/prospectus as U.S. GAAP. Accordingly, the assets and liabilities of Vidara will be, as of the effective time, recorded at their respective fair values and added to those of Horizon, including an amount for goodwill representing the difference between the acquisition consideration and the fair value of the identifiable net assets.

Restrictions on Resales (Page 70)

All New Horizon ordinary shares received by Horizon stockholders in the Merger will be freely tradable, except that New Horizon ordinary shares received in the Merger by persons who become affiliates of New Horizon for purposes of Rule 144 under the Securities Act of 1933, as amended, which is referred to in this proxy statement/prospectus as the Securities Act, may be resold by them only in transactions permitted by Rule 144, or as otherwise permitted under the Securities Act.

Comparison of the Rights of Holders of Horizon Common Stock and New Horizon Ordinary Shares (Page 244)

As a result of the Merger, the holders of Horizon common stock will become holders of New Horizon ordinary shares and their rights will be governed by Irish law and the memorandum and articles of association of New Horizon instead of the Delaware General Corporation Law, which is referred to in this proxy statement/prospectus as the DGCL, and Horizon s amended and restated certificate of incorporation and amended and restated bylaws, which are collectively referred to in this proxy statement/prospectus as the Horizon charter documents. The form of the New Horizon memorandum and articles of association substantially as it will be in effect from and after the closing is attached as Annex C to this proxy statement/prospectus. Following the Merger, former Horizon stockholders will have different rights as New Horizon shareholders from the rights they had as Horizon stockholders. For a summary of the material differences between the rights of Horizon stockholders and New Horizon shareholders, please see *Description of New Horizon Ordinary Shares* and *Comparison of the Rights of Holders of Horizon Common Stock and New Horizon Ordinary Shares*.

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RISK FACTORS

Horizon stockholders should carefully consider the following factors in evaluating whether to vote to adopt the merger agreement and approve the merger. These factors should be considered in conjunction with the other information included in or incorporated by reference into this proxy statement/prospectus, including the risks discussed in Horizon s Annual Report on Form 10-K for the annual period ended December 31, 2013 under the heading Risk Factors. See Where You Can Find More Information. Additional risks and uncertainties not presently known to Horizon or Vidara, or that are not currently believed to be important to you, also may adversely affect the merger and New Horizon following the merger. Unless expressly stated otherwise, all references in this section to we, us, our or similar references refer to New Horizon.

Risks Related to the Proposed Transactions

The number of New Horizon ordinary shares that Horizon stockholders will receive as consideration in the Merger will be based on a fixed exchange ratio, which will not be adjusted to reflect changes in the market value of Horizon common stock or changes in the fair value of Vidara prior to the consummation of the transaction.

As consideration in the Merger, each share of Horizon common stock then issued and outstanding will be cancelled and automatically converted into the right to receive one ordinary share of New Horizon, pursuant to a fixed exchange ratio. Each New Horizon ordinary share will be issued in accordance with, and subject to the rights and obligations of, the memorandum and articles of association of New Horizon, which is expected to be amended and restated prior to the effective time in the form attached as Annex C. For a comparison of the rights and privileges of a holder of shares of New Horizon to a holder of shares of Horizon, please see *Comparison of the Rights of Holders of Horizon Common Stock and New Horizon Ordinary Shares.* The one-for-one fixed exchange ratio will not adjust upwards or downwards to compensate for changes in the price of Horizon s common stock or as a result of changes in the fair value of Vidara prior to the closing of the transactions.

The market value of New Horizon ordinary shares that stockholders of Horizon will be entitled to receive when the transaction is completed could vary significantly from the market value of Horizon common stock on the date of this proxy statement/prospectus or the date of the Horizon Special Meeting. Because the exchange ratio will not be adjusted, such market price fluctuations may affect the value that Horizon stockholders receive at the effective time. Horizon s share price may change as a result of many factors, including changes in the business, operations or prospects of Horizon or Vidara, market assessment of the likelihood that the transaction will be completed, the timing of the transactions and general market and economic conditions. Vidara s shares are held by one shareholder and do not have an established market price. Horizon stockholders are urged to obtain current market quotations for Horizon common stock.

Failure to consummate the Merger could negatively impact the stock price and the future business and financial results of Horizon.

If the Merger is not consummated, the ongoing business of Horizon may be adversely affected and, without realizing any of the benefits of having consummated the Merger, Horizon will be subject to a number of risks, including the following:

- Horizon may be required to reimburse Vidara for certain expenses incurred by Vidara in connection with certain governmental filings, as described in the Merger Agreement and summarized under the caption

Transaction Agreement and Plan of Merger Expenses and Termination Fees ;

if the Merger Agreement is terminated under specified circumstances, Horizon may be required to pay to Vidara Holdings a termination fee equal to $23 million;

if the Merger is not consummated because the Horizon stockholders do not approve the Merger, Horizon will be obligated to pay Vidara Holdings $13.5 million for expenses;

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if the Merger is not consummated because Horizon is not able to complete the Merger after the conditions to closing are satisfied and Vidara Holdings is ready, willing and able to close the Merger, then Horizon will be obligated to pay Vidara Holdings $44 million as a termination fee;

Horizon will be required to pay certain costs relating to the proposed reorganization and Merger, including legal, accounting, filing and possible other fees and mailing, financial printing and other expenses in connection with the transaction whether or not the Merger is consummated;

the current prices of Horizon common stock may reflect a market assumption that the Merger will occur, meaning that a failure to complete the Merger could result in a decline in the price of Horizon common stock; and

matters relating to the reorganization and Merger (including integration planning) have required and will continue to require substantial commitments of time and resources by Horizon management, which could otherwise have been devoted to other opportunities that may have been beneficial to Horizon.

Horizon also could be subject to litigation related to any failure to consummate the Merger or to perform its obligations under the Merger Agreement, or related to any enforcement proceeding commenced against Horizon. If the Merger is not consummated, these risks may materialize and may adversely affect Horizon s business, financial results and stock price.

The combination of the businesses currently conducted by Horizon and Vidara will create numerous risks and uncertainties, which could adversely affect New Horizon s operating results or prevent New Horizon from realizing the expected benefits of the Merger.

Strategic transactions like the Merger create numerous uncertainties and risks and require significant efforts and expenditures. Horizon will transition from a standalone public Delaware corporation to being part of a combined company organized in Ireland. This combination will entail many changes, including the integration of Vidara and its personnel with those of Horizon, and changes in systems. These transition activities are complex, and New Horizon may encounter unexpected difficulties or incur unexpected costs, including:

the diversion of New Horizon management s attention to integration of operations and corporate and administrative infrastructures;

difficulties in achieving growth prospects from combining the business of Vidara with that of Horizon;

difficulties in the integration of operations and systems;

difficulties in the assimilation of employees and corporate cultures;

challenges in keeping existing customers and obtaining new customers; and

challenges in attracting and retaining key personnel.

If any of these factors impair New Horizon s ability to integrate the operations of Horizon with those of Vidara successfully or on a timely basis, New Horizon may not be able to realize the business opportunities, growth prospects and anticipated tax synergies from combining the businesses. In addition, New Horizon may be required to spend additional time or money on integration that otherwise would be spent on the development and expansion of its business.

In addition, the market price of New Horizon ordinary shares may decline following the business combination if the integration of Horizon and Vidara is unsuccessful, takes longer than expected or fails to achieve financial benefits to the extent anticipated by financial analysts or investors, or the effect of the business combination on the financial results of the combined company is otherwise not consistent with the expectations of financial analysts or investors.

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Horizon s and Vidara s respective business relationships, including customer relationships, may be subject to disruption due to uncertainty associated with the Merger.

Parties with which Horizon and Vidara currently do business or may do business in the future, including customers and suppliers, may experience uncertainty associated with the Merger, including with respect to current or future business relationships with Horizon, Vidara or New Horizon. As a result, Horizon s and Vidara s business relationships may be subject to disruptions if customers, suppliers and others attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than Horizon or Vidara. These disruptions could have an adverse effect on the business, financial condition, results of operations or prospects of New Horizon following the closing. The adverse effect of such disruptions could be exacerbated by a delay in the consummation of the Merger or termination of the Merger Agreement.

Loss of key personnel could impair the integration of the two businesses, lead to loss of customers and a decline in revenues, adversely affect the progress of pipeline products or otherwise adversely affect the operations of Horizon, Vidara and New Horizon.

The success of New Horizon after the completion of the Merger will depend, in part, upon its ability to retain key employees, especially during the integration phase of the two businesses. Although Vidara has put in place twelve month retention agreements for certain of its employees, current and prospective employees of Vidara might experience uncertainty about their future roles with New Horizon following completion of the Merger, which might adversely affect New Horizon s ability to retain key managers and other employees. In addition, competition for qualified personnel in the biotechnology industry is very intense. If Horizon or Vidara lose key personnel or New Horizon is unable to attract, retain and motivate qualified individuals or the associated costs to New Horizon increase significantly, New Horizon s business could be adversely affected.

Obtaining required approvals necessary to satisfy the conditions to the completion of the Merger may delay or prevent completion of the Merger, result in additional expenditures of money and resources and/or reduce the anticipated benefits of the Merger.

The Merger is subject to customary closing conditions. These closing conditions include, among others, the receipt of the requisite approval of Horizon s stockholders, the effectiveness of the registration statement of which this proxy statement/prospectus is a part, the consummation of the reorganization and the expiration or termination of the waiting period under the HSR Act (early termination of the waiting period under the HSR Act was granted effective April 11, 2014).

The governmental agencies from which the parties will seek certain of these approvals have broad discretion in administering the governing regulations. As a condition to their approval, agencies may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of New Horizon s business after the closing. These requirements, limitations, costs, divestitures or restrictions could jeopardize or delay the consummation of the Merger or may reduce the anticipated benefits of the Merger. Further, no assurance can be given that the required stockholder approval will be obtained or that the required closing conditions will be satisfied, and, if all required consents and approvals are obtained and the closing conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals. If Horizon and Vidara agree to any material requirements, limitations, costs or restrictions in order to obtain any approvals required to consummate the reorganization and the Merger, these requirements, limitations, costs or restrictions could adversely affect the anticipated benefits of the Merger. This could result in a failure to consummate these transactions or have a material adverse effect on New Horizon s business and results of operations. Please see *Transaction Agreement and Plan of Merger Conditions to the Completion of the Merger* beginning on page 104, for a discussion of the conditions to the completion of the Merger,

and *The Reorganization and the Merger Regulatory Approvals Required* beginning on page 69.

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Horizon may waive one or more of the conditions to the Merger without resoliciting stockholder approval.

If the Horizon stockholders approve the Merger, Horizon may determine to waive, in whole or in part, one or more of the other conditions to its obligations to complete the Merger, to the extent permitted by applicable laws. Horizon will evaluate the materiality of any such waiver and its effect on Horizon stockholders in light of the facts and circumstances at the time to determine whether any amendment of this proxy statement/prospectus and resolicitation of proxies is required or warranted. In some cases, if the Horizon board of directors determines that such a waiver is warranted but that such waiver or its effect on Horizon stockholders is not sufficiently material to warrant resolicitation of proxies, Horizon has the discretion to complete the Merger without seeking further stockholder approval. Any determination whether to waive any condition to the Merger or as to resoliciting stockholder approval or amending this proxy statement/prospectus as a result of a waiver will be made by Horizon at the time of such waiver based on the facts and circumstances as they exist at that time.

Horizon s directors and executive officers have interests in the Merger in addition to those of stockholders.

In considering the recommendations of the Horizon board of directors with respect to the Merger Agreement, you should be aware that some of Horizon s directors and executive officers have financial and other interests in the proposed transactions in addition to interests they might have as stockholders. Please see *The Reorganization and the Merger Interests of Certain Persons in the Merger*. In particular, members of the Horizon board of directors and executive officers will become directors and executive officers of New Horizon and are party to certain compensatory arrangements in connection with the Merger. You should consider these interests in connection with your vote on the related proposal. See *Stockholder Advisory Vote on Certain Compensatory Arrangements*.

As a result of the Merger, New Horizon will incur additional direct and indirect costs.

New Horizon will incur additional costs and expenses in connection with and as a result of the Merger. These costs and expenses include professional fees to comply with Irish corporate and tax laws and financial reporting requirements, costs and expenses incurred in connection with holding a majority of the meetings of the New Horizon board of directors and certain executive management meetings in Ireland, as well as any additional costs New Horizon may incur going forward as a result of its new corporate structure. There can be no assurance that these costs will not exceed the costs historically borne by Horizon and Vidara.

If goodwill or other intangible assets that New Horizon records in connection with the Merger become impaired, New Horizon could have to take significant charges against earnings.

In connection with the accounting for the Merger, it is expected that New Horizon will record a significant amount of intangible assets and may also record goodwill. Under U.S. GAAP, New Horizon must assess, at least annually and potentially more frequently, whether the value of goodwill and other indefinite-lived intangible assets has been impaired. Amortizing intangible assets will be assessed for impairment in the event of an impairment indicator. Any reduction or impairment of the value of goodwill or other intangible assets will result in a charge against earnings, which could materially adversely affect New Horizon s results of operations and shareholders equity in future periods.

Existing Horizon stockholders will own a smaller share of New Horizon following completion of the Merger.

Following completion of the Merger, Horizon stockholders will own the same number of shares of New Horizon that they owned in Horizon immediately before the closing. Each New Horizon ordinary share, however, will represent a smaller ownership percentage of a significantly larger company. Horizon security holders, who currently own 100% of the Horizon capital stock, will, immediately following the Merger, own approximately 74% of New Horizon on a

fully diluted basis, and Vidara Holdings, the sole historical shareholder of Vidara, will own the remaining approximately 26%. See *The Reorganization and the Merger The Reorganization of Vidara*.

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Risks Related to the Businesses of New Horizon

Vidara s business has been entirely reliant upon the successful marketing and sale of ACTIMMUNE and there can be no assurance that New Horizon will be able to continue to grow or maintain sales of ACTIMMUNE.

Vidara s only commercial product and source of revenue is ACTIMMUNE® (interferon gamma-1b), an injectable biologic drug prescribed for the management of two rare disorders: (i) *chronic granulomatous disease* (CGD) and (ii) *severe, malignant osteopetrosis* (SMO). Since its acquisition of the ACTIMMUNE product line in June 2012, Vidara has been successful in growing sales and profitability of ACTIMMUNE. However, there are a number of risks related to the ACTIMMUNE product line and there can be no assurance that we will be able to continue to grow or maintain sales of ACTIMMUNE or its profitability.

First, part of the reason for the success of ACTIMMUNE is that it presently faces little competition. ACTIMMUNE is the only drug currently approved by the FDA specifically for the treatment for CGD and SMO. While there are additional or alternative approaches used to treat patients with CGD and SMO, there are currently no products on the market that compete directly with ACTIMMUNE. The current clinical standard of care to treat CGD patients in the United States is the use of concomitant triple prophylactic therapy comprising ACTIMMUNE, an oral antibiotic agent and an oral antifungal agent. However, the FDA-approved labeling for ACTIMMUNE does not discuss this triple prophylactic therapy, and physicians may choose to prescribe one or both of the other modalities in the absence of ACTIMMUNE. Because of the immediate and life-threatening nature of SMO, the preferred treatment option for SMO is often to have the patient undergo a bone marrow transplant which, if successful, will likely obviate the need for further use of ACTIMMUNE in that patient. Vidara is aware of a number of research programs investigating the potential of gene therapy as a possible cure for CGD. Additionally, other companies may be pursuing the development of products and treatments that target the same diseases and conditions which ACTIMMUNE is currently approved to treat. As a result, it is possible that New Horizon s competitors may develop new drugs that manage CGD or SMO more effectively, cost less or possibly even cure CGD or SMO. The development and commercialization of any competing drugs or the discovery of any new alternative treatment for CGD or SMO could have a material adverse effect on sales of ACTIMMUNE and its profitability.

Second, the number of people afflicted with CGD or SMO is relatively small and Vidara s commercial rights to ACTIMMUNE are currently limited to the United States, Canada and Japan and Vidara currently only markets ACTIMMUNE in the United States. Based on Vidara s market research, Vidara estimates that there are currently between 900 and 1,600 patients with CGD, and between 85 and 215 patients with SMO living in the United States. As a result, if a competing drug were developed and commercialized or a new alternative treatment for CGD or SMO were discovered, the decision by a relatively small number of doctors to prescribe or recommend the competing drug or alternative treatment to manage or treat CGD or SMO would most likely have a significant impact on the market share of ACTIMMUNE. Likewise, the development of any drug or the discovery of an alternative treatment that cures patients of CDG or SMO would significantly reduce the size of the end market for ACTIMMUNE, unless New Horizon is successful in expanding the number of indications for which ACTIMMUNE is approved by the FDA, and there can be no assurance in this regard. Because the indications for which ACTIMMUNE is presently approved (i.e., CGD and SMO) are relatively rare, the size of the end-market for ACTIMMUNE and the volume of product sales of ACTIMMUNE are also relatively small. As a result, in order for ACTIMMUNE to be profitable, the prices that Vidara has historically had to charge for ACTIMMUNE have been relatively high and sales have been significantly dependent on the availability of coverage and adequate reimbursement for ACTIMMUNE from third party payers, including government payers, such as Medicare and Medicaid, and private health insurers. If New Horizon is unable to expand or maintain the sales volume of ACTIMMUNE at adequate pricing levels, the profitability of ACTIMMUNE could be adversely affected which could have a material adverse effect on the results of operations, financial condition and business in general of New Horizon. Under the terms of the Merger Agreement, New Horizon

has agreed not to raise the price of ACTIMMUNE until at least December 31, 2014.

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Third, U.S. healthcare legislation passed in March 2010 authorized the FDA to approve biological products, known as biosimilars, that are similar to or interchangeable with previously approved biological products based upon potentially abbreviated data packages. If a biosimilar version of ACTIMMUNE were approved, it could reduce New Horizon s sales of ACTIMMUNE. Biosimilars are likely to be sold at substantially lower prices than branded products because the biosimilar manufacturer would not have to recoup the research and development and marketing costs associated with the branded product. Accordingly, the introduction of biosimilar versions of ACTIMMUNE likely would significantly reduce both the price that New Horizon receives for ACTIMMUNE and the volume that New Horizon sells, which may have an adverse impact on our results of operations.

Fourth, successfully marketing and promoting products such as ACTIMMUNE is a complex and uncertain process dependent on the efforts of management, sales and marketing personnel, manufacturers, distributors and outside consultants. New Horizon s ability to increase or maintain sales of ACTIMMUNE will depend upon a number of factors, including, but not limited to:

- the continued safety and efficacy of ACTIMMUNE and the potential or perceived advantages or disadvantages of ACTIMMUNE over alternative treatments, including the cost of treatment, the relative convenience and ease of administration and the prevalence and severity of side effects;

- the introduction of competing drugs or treatments and the quality, safety, efficacy, cost and market acceptance of any such competing drugs or treatments;

- the percentage of the population afflicted with CDG and/or SMO or any other indications for which ACTIMMUNE may receive FDA approval;

- the strength of sales, marketing and distribution support and the ability to maintain or enhance brand awareness for ACTIMMUNE;

- acceptance of ACTIMMUNE by healthcare practitioners, especially those who specialize in fields such as pediatric immunology, allergy, infectious diseases and hematology/oncology, and by patients;

- the performance of third party manufacturers and distributors of ACTIMMUNE, over which New Horizon will have limited control;

- the availability of coverage and adequate pricing and reimbursement for ACTIMMUNE from third party payers, including government payers, such as Medicare and Medicaid, and private health insurers;

- the effect of current and future healthcare laws and regulations;

the impact of past and future price increases for ACTIMMUNE;

product labeling or product insert requirements of the FDA or other regulatory authorities with respect to ACTIMMUNE; and

critical reviews and other publicity relating to ACTIMMUNE.

Any of the factors described above could have a significant impact on New Horizon s ability to grow or maintain sales and profitability of ACTIMMUNE and any failure to do so could have a material adverse effect on our results of operations, financial condition and the market price of New Horizon ordinary shares.

Vidara relies, and New Horizon intends to rely, on third parties to manufacture, package, and distribute ACTIMMUNE.

Vidara does not have its own manufacturing, packaging or distribution capability for ACTIMMUNE and, as a result, it has relied upon, and New Horizon will continue to rely upon, third parties for these critical functions. Vidara has an exclusive supply agreement with Boehringer Ingelheim for the manufacture of ACTIMMUNE,

which has a term that runs until July 31, 2020. Under this supply agreement, either Vidara or Boehringer Ingelheim may terminate the agreement for an uncured material breach by the other party or upon the other party s bankruptcy or insolvency.

The manufacture of biopharmaceutical products, such as ACTIMMUNE, is complex and requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Drug manufacturers, like Boehringer Ingelheim, and their facilities must comply with strict regulatory requirements, including the FDA s current good manufacturing practice (cGMP) regulations and guidelines, and are subject to frequent inspection. If ACTIMMUNE s manufacturer fails to comply with any of these regulatory requirements, its facilities could be shut down until the FDA or other regulatory authorities are satisfied that the facilities and manufacturing and packaging processes are in compliance, which could cause a significant delay or halt in the supply of ACTIMMUNE. In addition, failure or difficulties faced at any level of our supply chain could materially adversely affect New Horizon s business and delay or impede the development and commercialization of ACTIMMUNE and could have a material adverse effect on its business, results of operations, financial condition, and prospects.

Manufacturers of biopharmaceutical products often encounter difficulties in production. These problems include difficulties with quality control, including stability of the product, quality assurance testing, operator error and shortages of qualified personnel. Furthermore, if microbial, viral or other contaminations are discovered in the drug products or in the manufacturing facilities in which its products are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination and the contract manufacturer or Vidara (or, following the Merger, New Horizon) may face regulatory action, including warning letters and recalls. New Horizon cannot assure you that any stability or other issues relating to the manufacture of ACTIMMUNE will not occur in the future. ACTIMMUNE s manufacturer may also experience manufacturing difficulties due to resource constraints or as a result of labor disputes. If ACTIMMUNE s manufacturer were to encounter any of these difficulties, or otherwise fail to comply with its contractual obligations to supply New Horizon with the quantity of ACTIMMUNE that it requires, New Horizon s business will be materially adversely effected. Additionally, Boehringer Ingelheim manufactures interferon gamma 1-b to supply its own commercial needs in its licensed territory, and this may lead to capacity allocation issues and supply constraints to New Horizon. Furthermore, Vidara does not have a substitute supplier for ACTIMMUNE and the process of identifying a substitute supplier and getting that supplier approved by the applicable regulatory authorities for manufacture and packaging of ACTIMMUNE can be a lengthy and costly process.

ACTIMMUNE is manufactured by starting with cells from working cell bank samples which are derived from a master cell bank. Each of Vidara and Boehringer Ingelheim separately store multiple vials of the master cell bank. In the event of catastrophic loss at Vidara s or Boehringer Ingelheim s storage facility, it is possible that New Horizon could lose multiple cell banks and have the manufacturing capacity of ACTIMMUNE severely impacted by the need to substitute or replace the cell banks.

New Horizon s business plan is highly dependent upon its ability to successfully execute on its sales and marketing strategy for the further growth in sales of ACTIMMUNE.

Since its acquisition of the ACTIMMUNE product line in June 2012, Vidara has focused on building a marketing platform to support the growth of ACTIMMUNE sales. While Vidara s sales force has achieved success in growing sales of ACTIMMUNE, New Horizon may be required to further expand the ACTIMMUNE sales force to continue to grow sales of ACTIMMUNE in the future. New Horizon does not currently intend to use the existing Horizon sales force to support the sale of ACTIMMUNE, so any such expansion of the ACTIMMUNE sales force will require the hiring of additional experienced personnel. There can be no assurance that New Horizon will be able to attract and retain qualified personnel to support the sale of ACTIMMUNE and any failure on its part to do so could have a

material adverse effect on New Horizon s ability to grow or maintain sales of ACTIMMUNE.

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Biologic drugs, such as ACTIMMUNE, are subject to extensive regulation and failure to comply with FDA or other regulatory authority requirements may subject New Horizon to administrative or judicial sanctions.

The manufacturing, labeling, packaging, storage, recordkeeping, advertising, promotion, export, import, marketing and distribution and other possible activities relating to a biologic drug, such as ACTIMMUNE, are subject to extensive regulation by the FDA in the United States and other regulatory agencies in foreign jurisdictions. Failure to comply with the applicable U.S. requirements at any time during the product development or approval process, or after approval, may subject New Horizon to administrative or judicial sanctions, including refusal to approve an application, withdrawal of an approval, imposition of a clinical hold, warning or untitled letters, product seizures or recalls, total or partial suspension of production or distribution, and injunctions, fines, disgorgements, or civil or criminal penalties or prosecution.

In addition, if ACTIMMUNE causes serious or unexpected side effects, FDA or other regulatory authorities may require the addition of labeling statements, such as black box warnings or contraindications, or limitations on the indications for use, withdraw their approval of ACTIMMUNE or place restrictions on the way it is prescribed or distributed, deny regulatory approval for any future indication for ACTIMMUNE, require us to conduct additional clinical trials or to change the labeling of ACTIMMUNE, or implement a risk evaluation and mitigation strategy (REMS).

Biologic drugs may not be marketed in the United States prior to submission of a Biologics License Application (BLA) and approval by the FDA. Once a BLA is approved for a product, such as ACTIMMUNE, that product will be subject to certain post-approval requirements. For instance, the FDA closely regulates the post-approval marketing and promotion of biologic drugs, including standards and regulations for direct-to-consumer advertising, off-label promotion, industry-sponsored scientific and educational activities and promotional activities involving the internet. Biologic drugs may be marketed only for the approved indications and in accordance with the provisions of the approved labeling. In the event New Horizon is unable to continue to comply with current and future FDA regulations and standards, it may be forced to delay or discontinue the manufacture and/or sale of ACTIMMUNE.

ACTIMMUNE is currently marketed only in the United States To market any biologic drugs outside of the United States, New Horizon and current or future collaborators must comply with numerous and varying regulatory and compliance related requirements of other countries. Approval procedures vary among countries and can involve additional product testing and additional administrative review periods, including obtaining reimbursement and pricing approval in select markets. The time required to obtain approval in other countries might differ from that required to obtain FDA approval. The regulatory approval process in other countries may include all of the risks associated with FDA approval as well as additional, presently unanticipated, risks. Regulatory approval in one country does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country may negatively impact the regulatory process in others, including the risk that our product candidates may not be approved for all indications requested and that such approval may be subject to limitations on the indicated uses for which the drug may be marketed. Certain countries have a difficult reimbursement environment and we may not obtain reimbursement or pricing approval for ACTIMMUNE, if required, in all countries where New Horizon seeks to market ACTIMMUNE, or New Horizon may obtain reimbursement approval at a level that would make marketing ACTIMMUNE in certain countries not viable.

If New Horizon fails to comply with its obligations in its intellectual property licenses with third parties, New Horizon could lose license rights that are important to its business.

Vidara is party to various license agreements and New Horizon may enter into additional license agreements in the future. For example, Vidara licenses rights to patents, know-how and trademarks for ACTIMMUNE from Genentech,

which agreement remains in effect for so long as Vidara continues to commercialize and sell ACTIMMUNE. However, Genentech may terminate the agreement upon Vidara s material default, if not cured within a specified period of time. Genentech may also terminate the agreement in the event of Vidara s

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bankruptcy or insolvency. Upon such a termination of the agreement, all intellectual property rights conveyed to Vidara under the agreement, including the rights to the ACTIMMUNE trademark, revert to Genentech.

In addition, New Horizon could have disputes with its current and future licensors regarding, for example, the interpretation of terms in its agreements. Any such disagreements could lead to curtailment or loss of rights or could result in time-consuming and expensive litigation or arbitration, which may not be resolved in New Horizon s favor.

If New Horizon fails to comply with its obligations under these agreements, New Horizon could lose the ability to market and distribute ACTIMMUNE, which would have a material adverse effect on the business, financial condition or results of operations of New Horizon.

If New Horizon is unable to obtain and maintain protection for the intellectual property relating to its technology and products, the value of its technology and products will be adversely affected.

New Horizon s success depends in large part on its ability to obtain and maintain protection in the United States and other countries for the intellectual property covering or incorporated into its technology and products. The patent situation in the field of biotechnology and pharmaceuticals is highly uncertain and involves complex legal and scientific questions. New Horizon may not be able to obtain additional issued patents relating to its technology or products. Even if issued, patents may be challenged, narrowed, invalidated or circumvented, which could limit New Horizon s ability to stop competitors from marketing similar products or limit the length or term of patent protection New Horizon may have for its products. The composition of matter and methods of manufacturing patents relating to ACTIMMUNE expire between 2014 and 2022. Changes in either patent laws or in the interpretations of patent laws in the United States or other countries may diminish the value of New Horizon s intellectual property or narrow the scope of its patent protection. For example, The Patient Protection and Affordable Care Act allows applicants seeking approval of biosimilar or interchangeable versions of biological products such as ACTIMMUNE to initiate a process for challenging some or all of the patents covering the innovator biological product used as the reference product. This process is complicated and could result in the limitation or loss of certain patent rights. In addition, such patent litigation is costly and time-consuming and may adversely affect New Horizon s overall financial condition and liquidity.

If New Horizon is unable to protect the confidentiality of its proprietary information and know-how, the value of its technology and products could be adversely affected.

In addition to patented technology, Vidara relies upon unpatented proprietary technology, processes and know-how. Vidara seeks to protect this information in part through confidentiality agreements with its employees, consultants and third parties. If any of these agreements are breached, New Horizon may not have adequate remedies for any such breach. In addition, any remedies New Horizon may seek may prove costly. Furthermore, New Horizon s trade secrets may otherwise become known or be independently developed by competitors. If New Horizon is unable to protect the confidentiality of its proprietary information and know-how, competitors may be able to use this information to develop products that compete with New Horizon s products, which could adversely affect New Horizon s business.

Vidara is exposed to concentration of credit risk relating to its major customers.

At March 31, 2014, Vidara s five main specialty pharmacies and wholesale pharmaceutical distributors, including Accredo Health Group Inc., CuraScript Specialty Distribution, Walgreens, Caremark LLC and McKesson Corporation, accounted for over 85% of its sales. Due to this concentration of sales, the credit risk associated with these customers is of particular significance to us. If one or several of these customers fails to fulfill its payment obligations or reduces their business with us, there may be a material adverse effect on our business, financial

condition or results of operations.

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The IRS may not agree with the conclusion that New Horizon should be treated as a foreign corporation for U.S. federal income tax purposes following the transaction.

Although New Horizon will be incorporated in Ireland, the U.S. Internal Revenue Service, referred to as the IRS in this proxy statement/prospectus, may assert that it should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes pursuant to Section 7874 of the Internal Revenue Code of 1986, as amended (the Code). A corporation is generally considered a tax resident in the jurisdiction of its organization or incorporation for U.S. federal income tax purposes. Because New Horizon is an Irish incorporated entity, it would generally be classified as a foreign corporation (and, therefore, a non-U.S. tax resident) under these rules. Section 7874 provides an exception pursuant to which a foreign incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes.

Under Section 7874, New Horizon would be treated as a foreign corporation for U.S. federal income tax purposes if the former shareholders of Horizon own (within the meaning of Section 7874) less than 80% (by both vote and value) of New Horizon stock by reason of holding shares in Horizon (the ownership test). The Horizon shareholders are expected to own less than 80% (by both vote and value) of the shares in New Horizon after the merger by reason of their ownership of shares of Horizon common stock. As a result, under current law, New Horizon is expected to be treated as a foreign corporation for U.S. federal income tax purposes. However, there can be no assurance that there will not exist in the future a subsequent change in the facts or in law which might cause New Horizon to be treated as a domestic corporation for U.S. federal income tax purposes, including with retroactive effect.

Further, there can be no assurance that the IRS will agree with the position that the ownership test is satisfied. There is limited guidance regarding the application of Section 7874 of the Code, including with respect to the provisions regarding the application of the ownership test.

See *Certain Tax Consequences of the Merger Tax Consequences of the Merger to Horizon and New Horizon U.S. Federal Tax Classification of New Horizon as a Result of the Merger* beginning on page 72 of this proxy statement/prospectus for a more detailed discussion of the application of Section 7874 of the Code to the transaction.

Section 7874 of the Code likely will limit Horizon s and its U.S. affiliates ability to utilize their U.S. tax attributes to offset certain U.S. taxable income, if any, generated by the merger and ancillary transactions for a period of time following the merger.

Following certain acquisitions of a U.S. corporation by a foreign corporation, Section 7874 of the Code limits the ability of the acquired U.S. corporation and its U.S. affiliates to utilize U.S. tax attributes such as net operating losses to offset U.S. taxable income resulting from certain transactions as more fully described in *Certain Tax Consequences of the Merger Tax Consequences of the Merger to Horizon and New Horizon Potential Limitation on the Utilization of Horizon s (and Its Domestic Affiliates) Tax Attributes.* Based on the limited guidance available, it is currently expected that this limitation should apply following the Merger. As a result, it is not currently expected that Horizon or its U.S. affiliates will be able to utilize their U.S. tax attributes to offset their U.S. taxable income, if any, resulting from certain taxable transactions following the merger. Please see *Certain Tax Consequences of the Merger Tax Consequences of the Merger to Horizon and New Horizon Potential Limitation on the Utilization of Horizon s (and Its Domestic Affiliates) Tax Attributes.* Notwithstanding this limitation, it is expected that Horizon will be able to fully utilize its U.S. net operating losses prior to their expiration. As a result of this limitation, however, it may take Horizon longer to use its net operating losses. Moreover, contrary to these expectations, it is possible that the limitation under Section 7874 of the Code on the utilization of U.S. tax attributes could prevent Horizon from fully utilizing its U.S. tax attributes prior to their expiration if Horizon does not generate taxable income consistent with its expectations.

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Future changes to U.S. and non-U.S. tax laws could materially adversely affect New Horizon.

Under current law, New Horizon is expected to be treated as a foreign corporation for U.S. federal income tax purposes. However, changes to the rules in Section 7874 of the Code or regulations promulgated thereunder or other guidance issued by the Treasury or the IRS could adversely affect New Horizon s status as a foreign corporation for U.S. federal income tax purposes, and any such changes could have prospective or retroactive application to New Horizon, Horizon, their respective shareholders and affiliates, and/or the transaction. On May 20, 2014 Senator Carl Levin and Representative Sander M. Levin introduced The Stop Corporate Inversions Act of 2014 (the bill) in the Senate and House of Representatives, respectively. In its current form, the bill would treat New Horizon as a U.S. Corporation if the former shareholders of Horizon own 50% or more of New Horizon stock under the ownership test. If enacted, the bill would apply to taxable years ending after May 8, 2014 and does not contain an exception for transactions subject to a binding commitment on that date. Because the Horizon shareholders are expected to own more than 50% of the shares in New Horizon after the Merger, New Horizon would be treated as a U.S. corporation if the bill becomes law.

In addition, the U.S. Congress, the Organization for Economic Co-operation and Development, and other Government agencies in jurisdictions where New Horizon and its affiliates do business have had an extended focus on issues related to the taxation of multinational corporations and there are several current legislative proposals that, if enacted, would substantially change the U.S. federal income tax system as it relates to the taxation of multinational corporations. One example is in the area of base erosion and profit shifting, where payments are made between affiliates from a jurisdiction with high tax rates to a jurisdiction with lower tax rates. As a result, the tax laws in the United States and other countries in which New Horizon and its affiliates do business could change on a prospective or retroactive basis, and any such changes could materially and adversely affect New Horizon.

Vidara is currently not subject to the compliance obligations of the Sarbanes-Oxley Act of 2002 and New Horizon may not be able to timely and effectively implement controls and procedures over Vidara s operations as required under the Sarbanes-Oxley Act of 2002.

Vidara is currently not subject to the information and reporting requirements of the Exchange Act or other U.S. or Irish securities laws, or the compliance obligations of the Sarbanes-Oxley Act of 2002. Subsequent to the completion of the transactions, New Horizon will need to timely and effectively implement the internal controls over financial reporting and other disclosure controls and procedures necessary to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which requires, among other things, annual management assessments of the effectiveness of internal controls over financial reporting and a report by our independent registered public accounting firm addressing these assessments. New Horizon intends to take appropriate measures to establish or implement an internal control environment at Vidara aimed at successfully adopting the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. However, it is possible that New Horizon may experience delays in implementing or be unable to implement the required internal controls over financial reporting and other disclosure controls and procedures, which could result in enforcement actions, the assessment of penalties and civil suits, failure to meet reporting obligations and other material and adverse events that could have a negative effect on the market price for New Horizon ordinary shares.

Risks Related to the Financial Condition of New Horizon

Growing the business of New Horizon will require the commitment of substantial capital and other resources, which may not be available, and which in turn, could result in future losses or otherwise limit the opportunities of New Horizon.

Growing the New Horizon business over the longer-term will require us to commit substantial capital and other resources towards in-licensing and/or acquiring new products and product candidates, or towards costly and time-consuming product development and clinical trials of New Horizon product candidates. It will also require

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continued investment in the commercial operations of New Horizon. New Horizon s future capital requirements will depend on many factors, including many of those discussed above, such as:

- the revenues from New Horizon commercial products and the costs of New Horizon s commercial operations;
- the extent of generic competition for New Horizon products;
- the cost of acquiring and/or licensing new products and product candidates;
- the cost of debt and required debt service on debt incurred to finance the combination with Vidara and any new product acquisitions;
- the scope, rate of progress, results and costs of New Horizon s potential development and clinical activities;
- the cost and timing of obtaining regulatory approvals and of compliance with laws and regulations;
- the cost of preparing, filing, prosecuting, defending and enforcing patent claims and other intellectual property rights;
- the cost of investigations, litigation and/or settlements related to regulatory activities and third-party claims; and
- changes in laws and regulations, including, for example, healthcare reform legislation.

One of New Horizon s goals will be to expand the business through the licensing, acquisition and/or development of additional products and product candidates. There can be no assurance that debt or equity financing will be available on reasonable terms, or at all, or that New Horizon s cash flow from operations will be sufficient to fund these activities if opportunities arise. If capital is not available, New Horizon may be unable to expand the business if it does not have sufficient capital or cannot borrow or raise additional capital on attractive terms.

Servicing Horizon s debt requires a significant amount of cash, and New Horizon may not have sufficient cash flow from its business to pay its substantial debt.

In connection with this transaction, Horizon will incur senior secured debt in the aggregate principal amount of approximately $300.0 million and will be required to make principal and interest payments in accordance with the terms of the credit agreement entered into between Horizon and the lenders providing such senior secured debt financing. In November 2013, Horizon issued 5.00% Convertible Senior Notes due 2018 in the aggregate principal amount of $150.0 million (the 5.00% Convertible Senior Notes) to investors pursuant to note purchase agreements

with such investors. As of June 24, 2014, all $150.0 million of principal on the 5.00% Convertible Senior Notes remained outstanding. New Horizon s ability to make scheduled payments of the principal of, to pay interest on or to refinance its indebtedness, including the new senior secured debt and the 5.00% Convertible Senior Notes, depends on New Horizon s future performance, which is subject to economic, financial, competitive and other factors beyond its control. New Horizon s business may not continue to generate cash flow from operations in the future sufficient to service New Horizon s debt and make necessary capital expenditures. If New Horizon is unable to generate such cash flow, New Horizon may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. New Horizon s ability to refinance its indebtedness will depend on the capital markets and its financial condition at such time. New Horizon may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on New Horizon s debt obligations.

New Horizon may not be able to successfully maintain its low tax rates, which could adversely affect its business and financial condition, results of operations and growth prospects.

New Horizon will be incorporated in Ireland and will maintain subsidiaries in the United States, Ireland, Luxembourg, Switzerland, Germany and Bermuda. Vidara was able to achieve a low blended tax rate through the

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performance of certain functions and ownership of certain assets in tax-efficient jurisdictions, including Bermuda and Ireland, together with intra-group service and transfer pricing agreements, each on an arm s length basis. New Horizon intends to continue a similar structure and arrangements following the completion of the transaction. Taxing authorities, such as the IRS, actively audit and otherwise challenge these types of arrangements, and have done so in the pharmaceutical industry. The IRS may challenge the New Horizon structure and transfer pricing arrangements through an audit or lawsuit. Responding to or defending such a challenge could be expensive and consume time and other resources, and divert management s time and focus from operating the New Horizon business. New Horizon cannot predict whether taxing authorities will conduct an audit or file a lawsuit challenging this structure, the cost involved in responding to any such audit or lawsuit, or the outcome. If New Horizon is unsuccessful, it may be required to pay taxes for prior periods, interest, fines or penalties, and may be obligated to pay increased taxes in the future, any of which could require New Horizon to reduce its operating expenses, decrease efforts in support of its products or seek to raise additional funds, all of which could have a material adverse effect on the New Horizon business, financial condition, results of operations and growth prospects.

New Horizon s actual financial position and results of operations may differ materially from the unaudited pro forma financial data included in this proxy statement/prospectus.

The pro forma financial data contained in this proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of what New Horizon s financial condition or results of operations would have been had the Merger been completed on the dates indicated. The pro forma financial data have been derived from the audited historical financial statements of Horizon and the Vidara Group, and certain adjustments and assumptions have been made regarding the combined company after giving effect to the Merger. Furthermore, the parties expect to have additional, currently unforeseen expenses relating to effecting the merger and combining the companies operations. The pro forma financial data do not reflect these potential expenses and efficiencies. Accordingly, the actual financial condition and results of operations of the combined company following the Merger may not be consistent with, or evident from, the pro forma financial data.

In addition, the assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect New Horizon s financial condition or results of operations following the merger. Any potential decline in New Horizon s financial condition or results of operations may cause significant variations in the share price of New Horizon. See *Unaudited Pro Forma Financial Data*.

Risks Related to the New Horizon Ordinary Shares

The market price of New Horizon ordinary shares may be volatile, and the value of your investment could decline significantly.

Investors who hold New Horizon ordinary shares may not be able to sell their shares at or above the price at which they purchased the shares of Horizon common stock. The price of Horizon common stock has fluctuated significantly from time to time, and New Horizon cannot predict the price of its ordinary shares. The risk factors described in this proxy statement/prospectus and incorporated by reference from Horizon s Annual Report on Form 10-K for the year-ended December 31, 2013 and Horizon s Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 could cause the price of New Horizon ordinary shares to fluctuate significantly. In addition, the stock market in general, including the market for life sciences companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. These broad market and industry factors may seriously harm the market price of New Horizon ordinary shares, regardless of New Horizon s operating performance. In addition, the New Horizon stock price may be dependent upon the valuations and recommendations of the analysts who cover the New Horizon business, and if its results do not meet the analysts

forecasts and expectations, New Horizon s stock price could decline as a result of analysts lowering their valuations and recommendations or otherwise. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against New Horizon, could result in substantial costs and diversion of management s attention and resources, which could materially and adversely affect New Horizon s business, financial condition, results of operations and growth prospects.

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Future sales of New Horizon ordinary shares in the public market could cause volatility in the price of New Horizon shares or cause the share price to fall.

Sales of a substantial number of New Horizon ordinary shares in the public market, or the perception that these sales might occur, could depress the market price of New Horizon ordinary shares, and could impair New Horizon s ability to raise capital through the sale of additional equity securities.

It is expected that New Horizon will file registration statements on Form S-8 under the Securities Act to register the ordinary shares reserved for issuance under its equity incentive and employee stock purchase plans, and intends to file additional registration statements on Form S-8 to register the ordinary shares automatically added each year to the share reserves under these plans, which may impair New Horizon s ability to raise capital.

The Merger Agreement contemplates that Vidara and Vidara Holdings, the sole shareholder of Vidara, and members of Vidara Holdings, which are collectively referred to in this proxy statement/prospectus as the Vidara rights parties, will enter into a registration rights agreement, which is referred to in this proxy statement/prospectus as the registration rights agreement, providing for the registration for resale under the Securities Act of the New Horizon ordinary shares held by the Vidara rights parties immediately following the closing, which are referred to in this proxy statement/prospectus as the registrable securities. Pursuant to the registration rights agreement, Vidara will be committed to file a registration statement with the SEC covering the resale of all of the registrable securities as soon as reasonably practicable following the date the registration statement of which this proxy statement/prospectus is a part is declared effective by the SEC, and to use its reasonable best efforts to cause such resale registration statement, which is referred to in this proxy statement/prospectus as the Vidara resale registration statement, to become effective under the Securities Act by the closing date or as soon as reasonably practicable thereafter. See *Other Related Agreements Registration Rights Agreement*.

We expect that generally, the receipt of New Horizon ordinary shares in exchange for Horizon common stock pursuant to the merger will result in a taxable transaction. Since the stockholders of Horizon are not receiving cash in the merger and may be subject to tax on the gain recognized, if any, they may choose to sell New Horizon ordinary shares to generate cash to satisfy their tax obligations, which could increase the number of New Horizon ordinary shares being sold in the public market and the volatility of the price of New Horizon ordinary shares.

New Horizon may not have sufficient distributable reserves to pay dividends or repurchase or redeem shares following the Merger even if considered appropriate by the New Horizon board of directors. New Horizon can provide no assurance that Irish High Court approval of the creation of distributable reserves will be forthcoming.

If New Horizon proposes to pay dividends in the future, it may be unable to do so under Irish law. Under Irish law, dividends may be paid, and share repurchases and redemptions must generally be funded, only out of distributable reserves. The creation or increase of distributable reserves, through the reclassification of existing share capital or other un-distributable reserves, requires the approval of the Irish High Court. New Horizon is not aware of any reason why the Irish High Court would not approve the creation or increase of distributable reserves; however, the issuance of the required order is a matter for the discretion of the Irish High Court and there is no guarantee that such approval will be forthcoming. Even if the Irish High Court does approve the creation or increase of distributable reserves, it may take substantially longer than the parties anticipate.

New Horizon does not expect to pay dividends for the foreseeable future, and you must rely on increases in the trading prices of the New Horizon ordinary shares for returns on your investment.

Horizon has never paid cash dividends on its common stock. New Horizon does not expect to pay dividends in the immediate future. New Horizon anticipates that it will retain all earnings, if any, to support its operations and its proprietary drug development programs. Any future determination as to the payment of dividends will, subject to Irish legal requirements, be at the sole discretion of the New Horizon board of directors and will

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depend on New Horizon s financial condition, results of operations, capital requirements and other factors the New Horizon board of directors deems relevant. Holders of New Horizon ordinary shares must rely on increases in the trading price of their shares for returns on their investment in the foreseeable future.

After the completion of the merger, attempted takeovers of New Horizon will be subject to Irish Takeover Rules and subject to review by the Irish Takeover Panel.

Delaware s anti-takeover statutes and laws regarding directors fiduciary duties give the boards of directors broad latitude to defend against unwanted takeover proposals. Following the closing, New Horizon will become subject to Irish takeover rules, as discussed in greater detail under *Description of New Horizon Ordinary Shares Antitakeover Provisions*, under which the New Horizon board of directors will not, other than with the consent of New Horizon shareholders or the Irish Takeover Panel, be permitted to take any action which might frustrate an offer for New Horizon ordinary shares once it has received an approach which may lead to an offer or where the board of directors of New Horizon has reason to believe an offer is imminent. Further, it could be more difficult for New Horizon to obtain shareholder approval for a merger or negotiated transaction after the closing of the business combination because the shareholder approval requirements for certain types of transactions differ, and in some cases are greater, under Irish law than under Delaware law. Please see *Description of New Horizon Ordinary Shares*.

Following the completion of the merger, a future transfer of New Horizon ordinary shares may be subject to Irish stamp duty.

In certain circumstances, the transfer of shares in an Irish incorporated company will be subject to Irish stamp duty, which is a legal obligation of the buyer of the shares. This duty is currently charged at the rate of 1.0% of the price paid or the market value of the shares acquired, if higher. However, transfers of book-entry interests in the Depository Trust Company, which is referred to in this proxy statement/prospectus as DTC, representing New Horizon ordinary shares should not be subject to Irish stamp duty. Accordingly, transfers by shareholders who hold their New Horizon ordinary shares beneficially through brokers which in turn hold those shares through DTC, should not be subject to Irish stamp duty on transfers to holders who also hold through DTC. This exemption should be available because New Horizon ordinary shares will be traded on a recognized stock exchange in the United States.

New Horizon, in its absolute discretion and insofar as the Companies Acts or any other applicable law permit, may, or may provide that a subsidiary of New Horizon will, pay Irish stamp duty arising on a transfer of New Horizon ordinary shares on behalf of the transferee of such New Horizon ordinary shares. If stamp duty resulting from the transfer of New Horizon ordinary shares which would otherwise be payable by the transferee is paid by New Horizon or any subsidiary of New Horizon on behalf of the transferee, then in those circumstances, New Horizon will, on its behalf or on behalf of its subsidiary (as the case may be), be entitled to (i) seek reimbursement of the stamp duty from the transferee, (ii) set-off the stamp duty against any dividends payable to the transferee of those New Horizon ordinary shares and (iii) claim a first and permanent lien on the New Horizon ordinary shares on which stamp duty has been paid by New Horizon or its subsidiary for the amount of stamp duty paid. New Horizon s lien shall extend to all dividends paid on those New Horizon ordinary shares.

Dividends paid by New Horizon may be subject to Irish dividend withholding tax.

In certain circumstances, as an Irish tax resident company, New Horizon will be required to deduct Irish dividend withholding tax (currently at the rate of 20%) from dividends paid to its shareholders. Shareholders that are resident in the United States, European Union member states (other than Ireland) or other countries with which Ireland has signed a tax treaty (whether the treaty has been ratified or not) generally should not be subject to Irish withholding tax so long as the shareholder has provided its broker, for onward transmission to New Horizon s qualifying intermediary or

other designated agent (in the case of shares held beneficially), or New

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Horizon or its transfer agent (in the case of shares held directly), with all the necessary documentation by the appropriate due date prior to payment of the dividend. However, some shareholders may be subject to withholding tax, which could adversely affect the price of New Horizon ordinary shares. See *Certain Tax Consequences of the Merger Irish Tax Considerations*.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents that Horizon has filed with the SEC that are incorporated in this proxy statement/prospectus by reference contain certain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 with respect to the respective financial conditions, results of operations, financial projections and businesses of Horizon, Vidara and New Horizon, and the expected impact of the proposed merger on New Horizon and its business. Words such as anticipates, expects, intends, plans, predicts, believes, seeks, estimates, could, would, will, may, can, continue, potential, of these terms or other comparable terminology often identify forward-looking statements. Statements included or incorporated in this proxy statement/prospectus that are not historical facts are hereby identified as forward-looking statements for the purpose of the safe harbor provided by Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. Many of these risks, uncertainties and other factors are discussed under the sections captioned *Risk Factors* contained in this proxy statement/prospectus and in Horizon s Annual Report on Form 10-K for the annual period ended December 31, 2013, as updated or superseded by the risks and uncertainties described under similar headings in the other documents that are filed by Horizon after the date hereof and incorporated by reference into this proxy statement/prospectus. These forward-looking statements include, but are not limited to, statements about:

- the completion of the proposed merger and the timing thereof;
- the expected synergies and other benefits, including tax, financial and strategic benefits, to New Horizon and the respective stockholders of Horizon and Vidara of the proposed merger;
- the expected tax consequences to holders of Horizon common stock and New Horizon ordinary shares;
- the expected accounting treatment for the proposed merger;
- future sales of DUEXIS®, VIMOVO®, RAYOS®, ACTIMMUNE® and the other products of Horizon, Vidara and New Horizon;
- the expected financial performance and results of New Horizon following completion of the proposed merger;
- the ability to obtain adequate clinical and commercial supplies of products of Horizon, Vidara and New Horizon from current and new single source suppliers and manufacturers;
- the ability of each of Horizon, Vidara and New Horizon to protect its intellectual property and defend its patents;

the sufficiency of each of Horizon s, Vidara s and New Horizon s cash resources, and expectations regarding their respective future cash flow, expenses, revenues, financial results and capital requirements; and

financial projections of Horizon and Vidara and assumptions related thereto.

Many of the important factors that will determine these results are beyond the ability of Horizon and Vidara to control or predict. You are cautioned not to put undue reliance on any forward-looking statements, which speak only as of the date of this proxy statement/prospectus or the date of any document incorporated by reference. You should carefully read this proxy statement/prospectus together with the information incorporated herein by reference as described under the heading *Where You Can Find More Information*, completely and with the understanding that actual future results may be materially different from those that are expected by Horizon and Vidara. Except as otherwise required by law, none of Horizon, Vidara or New Horizon undertakes any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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THE REORGANIZATION AND THE MERGER

The Reorganization of Vidara

Prior to the effective time of the Merger, Vidara will carry out a reorganization of its capital structure (the reorganization). The reorganization consists of a series of corporate actions as a result of which: (i) Vidara has formed a new non-resident Irish company that is a tax resident in Bermuda referred to as Newco, (ii) Vidara has assigned all of its contracts and has sold and transferred all of its intellectual property to Newco in exchange for a promissory note with an original principal amount equal to the fair market value of such assets, which will be repaid in consideration for the issuance of two promissory notes of the same aggregate original principal amount, one of which will be repaid in cash on the closing date, (iii) Vidara has moved its tax residence from Bermuda to Ireland, (iv) Vidara will create a new class of ordinary shares denominated in US dollars (as well as create additional euro-denominated share capital up to a par value of 40,000) such that the aggregate number of US dollar denominated ordinary shares shall be sufficient to cover the ordinary shares to be issued in exchange for the outstanding shares of Horizon common stock and shares of Horizon common stock reserved for issuance under outstanding Horizon equity awards and warrants and Horizon s outstanding convertible notes, and ordinary shares and bonus shares equal to 31,350,000 shares representing Vidara Holdings agreed shareholdings in New Horizon following the closing and a bonus issue of shares to be held by Vidara Holdings and redeemed by Vidara from distributable reserves for cash as of the closing, (v) Vidara will be re-registered as a public limited company in Ireland, (vi) Vidara will redeem the bonus issue of shares for cash in the amount of $200,000,000 plus cash on hand at Vidara on the closing date, less Vidara s unpaid indebtedness and unpaid transaction expenses, and plus or minus an adjustment to the extent that Vidara working capital as of the closing is more or less than target working capital of $123,000 and (vii) Vidara will be renamed Horizon Pharma plc.

The Merger

Following the completion of the reorganization, Merger Sub, which is a wholly-owned subsidiary of U.S. HoldCo, will merge with and into Horizon, with Horizon as the surviving corporation becoming an indirect wholly-owned subsidiary of Vidara. At the effective time, (i) each share of Horizon s common stock issued and outstanding will be converted into one ordinary share of New Horizon; (ii) each equity plan of Horizon will be assumed by New Horizon and each outstanding option under Horizon s equity plans will be converted into an option to acquire the number of ordinary shares of New Horizon equal to the number of shares of common stock underlying such option immediately prior to the effective time at the same exercise price per share as such Horizon option, and each other stock award that is outstanding under Horizon equity plans will be converted into a right to receive, on substantially the same terms and conditions as were applicable to such equity award before the effective time, the number of ordinary shares of New Horizon equal to the number of shares of common stock of Horizon subject to such stock award immediately prior to the effective time; (iii) each warrant to acquire Horizon common stock outstanding immediately prior to the effective time and not terminated as of the effective time will be converted into a warrant to acquire, on substantially the same terms and conditions as were applicable under such warrant before the effective time, the number of ordinary shares of New Horizon equal to the number of shares of common stock underlying such warrant immediately prior to the effective time; and (iv) the 5.00% Convertible Senior Notes due 2018 will remain outstanding and, pursuant to a supplemental indenture to be entered into effective as of the effective time, will become convertible into the same number of ordinary shares of New Horizon at the same conversion rate in effect immediately prior to the effective time.

Upon consummation of the Merger, the security holders of Horizon (excluding the holders of the 5.00% Convertible Senior Notes due 2018) will own approximately 74% of New Horizon on a fully diluted basis and Vidara Holdings will own approximately 26% of New Horizon on a fully diluted basis. At the closing, Vidara Holdings will receive a cash payment of $200 million, plus the cash of Vidara and its subsidiaries as of closing, less the indebtedness of

Vidara and its subsidiaries and transaction expenses of Vidara and its subsidiaries paid by New Horizon at or following the closing, plus or minus an adjustment to the extent that Vidara s working capital (exclusive of cash) as of the closing exceeds or is less than target working capital of $123,000.

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Background of the Transaction

Horizon is a commercial stage, specialty pharmaceutical company that markets DUEXIS®, VIMOVO® and RAYOS®/LODOTRA®, which target unmet therapeutic needs in arthritis, pain and inflammatory diseases. Horizon s strategy is to develop, acquire or in-license additional innovative medicines where it can execute a targeted commercial approach among specific target physicians such as primary care physicians, orthopedic surgeons and rheumatologists, while taking advantage of its commercial strengths and its infrastructure. As part of its business development strategy, Horizon regularly meets with companies who are either running a process to sell or license a product line or who are potential acquisition candidates.

Vidara Therapeutics International Limited is a privately-held, specialty pharmaceutical company with operations in Dublin, Ireland. The Vidara Group markets ACTIMMUNE®, a bioengineered form of interferon gamma-1b, a protein that acts as a biologic response modifier. ACTIMMUNE is approved by the U.S. Food and Drug Administration for use in the United States in children and adults with *chronic granulomatous disease* (CGD) and *severe, malignant osteopetrosis* (SMO). ACTIMMUNE is indicated for reducing the frequency and severity of serious infections associated with CGD and for delaying time to disease progression in patients with SMO. Vidara s sole shareholder, Vidara Holdings, engaged Lazard Middle Market LLC (Lazard) in August 2013 and commenced a process to evaluate a sale of Vidara.

On January 13, 2014, representatives of JMP Securities, a financial advisor to Horizon, held an introductory meeting with Patrick Ashe, Vidara s Vice President of Corporate Development, and Rick McElheny, Vidara s Vice President of Business Development and Sales Operations, during the JP Morgan Healthcare Conference in San Francisco in order for Vidara to update JMP Securities on its business.

On January 15, 2014, the senior management teams of Horizon and Vidara and a representative of JMP Securities met in San Francisco. During that meeting, each party presented a general corporate overview and discussed company strategy. At this meeting, Timothy P. Walbert, Horizon s Chairman of the Board, President and Chief Executive Officer, indicated Horizon s intent to discuss with Vidara a possible combination.

Following this meeting, Horizon worked with its financial advisors and its legal and tax advisors to conduct various commercial, financial and tax analyses relating to a possible business combination, including assessment of the commercial performance of ACTIMMUNE, financial modeling activities, tax and corporate structuring and valuation work. Horizon and Vidara and their respective representatives and advisors also commenced due diligence investigations of each other s businesses that included in-person meetings, conference calls and the review of materials made available through electronic data rooms and in hard copy.

On January 22, 2014, Horizon and Vidara executed a mutual confidentiality agreement. Also, representatives of Lazard briefed representatives of JMP Securities on the ongoing Vidara sale transaction process. The financial advisors discussed the initial due diligence process and scheduling a call on structuring considerations.

On January 27, 2014, the Business Development Committee of the board of directors of Horizon, which is comprised of Michael Grey, Dr. Jeff Himawan, Gino Santini and Mr. Walbert, held a telephonic meeting with Horizon management and representatives of JMP Securities and Cooley LLP (Cooley), Horizon s outside counsel for the transaction, to discuss the potential transaction with Vidara. Mr. Santini recused himself from participating in the meeting and the subsequent process for an undisclosed potential conflict of interest. During the meeting, management informed the Committee of its interactions to date with Vidara and the proposed structure and potential tax implications of a potential combination.

On January 28, 2014, the Vidara management team reviewed a detailed management presentation on Vidara s business, including its marketed drug, ACTIMMUNE, and its corporate structure, with Horizon s management team on a conference call. Representatives of Lazard and JMP Securities participated in the call. That same day, Vidara made its electronic data room available to Horizon and its advisors.

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On February 3, 2014, the Vidara management team and its transaction counsel, Mayer Brown LLP (Mayer Brown) and Ropes and Gray LLP, its tax advisor, KPMG LLP and independent accountants, Habif, Arogeti & Wynne LLP (HA&W), held a conference call with the Horizon management team, Horizon s tax advisor, KPMG LLP (KPMG), Cooley and JMP Securities to discuss Vidara s corporate structure and the structure for the potential transaction.

On February 5, 2014, representatives of JMP Securities called representatives of Lazard to convey Horizon s interest in submitting a bid to acquire Vidara and to discuss timing and next steps in the process.

That same day, management of Horizon and Vidara and their respective legal and financial advisors held a conference call to discuss Vidara s due diligence questions on Horizon s intellectual property.

On February 6, 2014, Dr. Jeffrey Sherman, Horizon s Executive Vice President, Manufacturing and Regulatory Affairs and Chief Medical Officer, had a telephonic meeting with Virinder Nohria, M.D., Ph.D., the Vidara Group s President and Chief Medical Officer, and representatives of Vidara to discuss ACTIMMUNE past and current research and development activities.

On February 7, 2014, the Horizon senior management team gave a detailed management presentation on Horizon s business, including its commercial products and its business development strategy, to Vidara s management team. Representatives of JMP Securities and Lazard participated on the call.

On February 10, 2014, Horizon engaged Citigroup Global Markets, Inc. (Citi) to serve as a financial advisor for the proposed transaction with Vidara. Horizon also subsequently engaged Citi and Cowen and Company, LLC (Cowen) to facilitate arranging debt financing for the proposed transaction and commenced the process of obtaining a debt commitment letter for the financing needed for the transaction.

On February 13, 2014, Horizon s board of directors held a special telephonic meeting with management and representatives of Citi, Cowen, JMP Securities, Cooley and KPMG. During the meeting, management updated the board on the discussions with Vidara and the transaction process. Representatives of JMP Securities presented preliminary financial analyses of Vidara and Horizon used to develop the proposed bid. A representative of KPMG reviewed the proposed transaction structure from a tax perspective. A representative of JMP Securities then led a discussion of alternatives to finance the proposed transaction, including a convertible note or senior secured note financing. Following a discussion, the Horizon board of directors authorized Horizon to submit a non-binding indication of interest to acquire Vidara.

On February 14, 2014, Horizon submitted a preliminary, non-binding indication of interest to acquire Vidara for $500 million in stock and cash.

From February 14, 2014 through February 19, 2014, representatives of Citi, JMP Securities and Lazard had multiple phone calls and email exchanges to clarify Vidara s questions on the Horizon bid.

On February 20, 2014, the parties held a call with their respective financial, legal and tax advisors to discuss Vidara s corporate structure, the transaction structure and the tax consequences of the proposed transaction. That same day, Lazard held a call with JMP Securities and Citi to discuss the agenda for the upcoming in-person meeting in New York, New York.

On February 23, 2014, Mr. Walbert had a dinner meeting in New York, New York, with Mr. Balaji Venkataraman, the Executive Chairman of the Vidara Group, to discuss Horizon s bid for Vidara, Horizon s business strategy and open due diligence items.

The following day, Mr. Walbert, Robert De Vaere, Horizon s Executive Vice President and Chief Financial Officer, Dr. Sherman, and Todd Smith, Horizon s Executive Vice President and Chief Commercial Officer, Brian Beeler, Horizon s Chief Compliance Officer and Vice President, Associate General Counsel and representatives

of Citi, JMP Securities and Cowen attended a meeting in New York, New York with Mr. Venkataraman and David Kelly, the Vidara Group s Chief Financial Officer, and other Vidara representatives and representatives of Lazard, for the primary purpose of permitting Vidara to conduct further due diligence on Horizon. During the meeting, Horizon also conducted follow up due diligence on Vidara. At the conclusion of the meeting, Mr. Walbert and Mr. Venkataraman held a meeting to discuss Horizon s bid.

On February, 27, 2014, Lazard provided to Horizon an initial draft merger agreement for the proposed transaction between Horizon and Vidara.

Later that day, representatives of Lazard provided to Citi and JMP Securities feedback on Horizon s bid and the due date for a final offer. Also, that day, Mr. Walbert and Mr. Venkataraman had a call to discuss transaction timing and the status of the due diligence process.

On February 28, 2014, Horizon provided Vidara and Lazard with access to an online data room including certain corporate documents.

On March 5, 2014, representatives of Horizon and Vidara held a due diligence call to discuss the respective supply chains of both businesses in detail.

On the evening of March 5, 2014, Citi submitted Horizon s initial mark-up of the merger agreement to Lazard.

On March 6, 2014, Mr. Grey, Dr. Himawan and Mr. Walbert of the Horizon Business Development Committee, and Robert Carey, Horizon s Executive Vice President and Chief Business Officer, met with Mr. Venkataraman, Dr. Nohria and Keith Pennell, a representative of DFW Capital Partners, an investor in Vidara Holdings, in Philadelphia, Pennsylvania for the purpose of discussing Horizon s acquisition strategy and the Horizon board of directors support for this strategy. During the meeting, Horizon made a revised proposal to acquire Vidara. The parties negotiated and agreed in principle on the economic terms of the proposed transaction, including that Vidara s sole shareholder would receive $200 million in cash on a debt free, cash free basis, and would retain 31.35 million shares of the combined company, assuming a one for one conversion of Horizon common stock on a fully diluted basis. The aggregate value of the consideration to be paid to the Vidara shareholder was approximately $610 million based on the closing stock price of Horizon on March 5th. The same day, members of management of Horizon and Vidara met at the Westin hotel in Rosemont, Illinois to discuss Horizon s commercial operations.

Following the March 6th negotiating session, Horizon requested a period of exclusivity and sent Vidara a proposed exclusivity agreement on March 7, but Vidara did not formally agree to any period of exclusivity with Horizon.

On March 7, 2014, members of management of Horizon, and representatives of Citi, KMPG, Cooley and Horizon s Irish counsel, McCann FitzGerald Solicitors (McCann), held a conference call with members of management of Vidara and representatives of Lazard, Mayer Brown, KPMG LLP, Vidara s U.S. counsel, Burke, Warren, MacKay & Serritella, PC, and Vidara s Irish counsel, A & L Goodbody Solicitors, to discuss transaction timing, structure, tax and financing considerations.

Later in the morning of March 7, 2014, the Horizon board of directors held a special telephonic meeting with management and representatives of Citi and Cooley. During the meeting, the members of the Business Development Committee updated the board on the negotiations that had occurred earlier in the week and the agreement in principle on the economic terms and the board discussed the proposed terms of the transaction and the tax consequences of the transaction to the Horizon stockholders. Following a discussion, the board authorized management to proceed with the negotiations of a potential transaction.

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That same day, management of Horizon and Vidara and their respective legal and financial advisors held a conference call to discuss Vidara s additional due diligence questions on Horizon s intellectual property.

Later that day, Mr. Walbert had a call with Mr. Venkataraman during which they discussed Horizon s financing plan for funding the $200 million payable to the Vidara shareholder and Vidara due diligence.

On March 8, 2014, Lazard discussed Horizon s share capitalization with Citi and Christopher Murphy, Horizon s Vice President, Business Development.

On March 9, 2014, Horizon and Vidara held a conference call with financial, tax and legal advisors of both parties to discuss in detail Horizon s proposed restructuring of Vidara and the structure of the proposed combination. During the call, representatives of KPMG reviewed a graphic presentation of each of the proposed steps in the restructuring that were reflected in the draft schedule to the merger agreement.

Later the same day, Mayer Brown circulated a revised draft of the merger agreement.

On March 10, 2014, Mr. De Vaere and representatives of PricewaterhouseCoopers LLP (PwC), Horizon s auditors, and Cooley had a conference call with Vidara and Lazard to discuss the financial statements of Vidara that would be required to be included in the registration statement on S-4 for the transaction, including the financial statements for the ACTIMMUNE business acquired by Vidara from InterMune, Inc.

On March 10, 2014, Mr. Walbert, Mr. Carey and Mr. De Vaere had a conference call with Mr. Venkataraman and Dr. Nohria to discuss Vidara employee retention issues and agree upon a retention plan.

On March 10, 2014, Mayer Brown sent Cooley drafts of the registration rights agreement and the voting agreement to be signed by the directors, officers and stockholders of Horizon with representatives on the Horizon board of directors.

That same day, Christopher Murphy had a call with representatives of Lazard to discuss Horizon s revisions to net revenue and gross margin to be include in its March 13, 2014 earnings release and Annual Report on 10-K.

On March 11, 2014, Cooley sent a revised draft of the merger agreement to Mayer Brown.

On March 12, 2014, Cooley, Mr. Beeler and Mayer Brown had a conference call to negotiate the merger agreement.

Also that day, Dr. Sherman and Mr. Smith met with representatives of Vidara management at Vidara s offices in Roswell, Georgia to continue commercial due diligence. The same day, Dr. Nohria, representatives of Vidara and Lazard participated in a supply chain diligence discussion with Horizon.

The following day, Mr. Venkataraman called Mr. Walbert to inform him that Vidara had received a superior alternative offer and that the remaining open issues in the merger agreement would need to be resolved by the end of day or Vidara would proceed with the alternative offer.

Later that day and into the evening, Horizon, Vidara and their respective legal counsel held negotiating sessions to resolve the open issues in the merger agreement and registration rights agreement, discuss timing and next steps to finalize the agreements and the completion and review of Vidara s audited financial statements for 2013 prior to the target announcement date of March 19, 2014.

On March 13, 2014, Citi sent to representatives of Lazard a draft of the debt commitment from Deerfield Management Company.

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On March 14, 2014, representatives of PwC met with representatives of Vidara s auditors, HA&W to review Vidara s draft 2013 financial statements and HA&W s work papers in Vidara s offices in Roswell, Georgia.

The same day, Mr. Venkataraman and Dr. Nohria called Mr. Walbert to discuss employee retention issues and finalize retention agreements.

Also, on March 14, 2014, Mayer Brown sent Cooley a revised draft of the merger agreement.

On March 15, 2014, the Horizon Board of Directors held a special telephonic meeting with management and representatives of Citi, Cooley and KPMG. During the meeting, representatives of KPMG gave a detailed presentation on the structure of the transactions, the restructuring of Vidara, the tax consequences of the transaction to Horizon and to the Horizon stockholders and the potential tax synergies resulting from the new corporate platform based on an Irish parent company. Also during the meeting, KPMG presented an analysis of the U.S. excise taxes that would be payable by the directors and officers of Horizon with respect to non-qualified options and restricted stock units held by them at the closing of the transaction and the expense that Horizon would incur if the board decided to reimburse the directors and officers for these expenses on an after-tax basis. The board of directors discussed the rationale for reimbursing directors and officers for the excise taxes on an after-tax basis, the alternative of accelerating the vesting of all outstanding equity awards so that directors and officers could exercise the options prior to the closing of the transaction and the approach used in precedent transactions. Following the discussion, the board of directors agreed that reimbursing the directors and executive officers for the excise tax that would be incurred as a result of the proposed transaction would be a better approach than accelerating the vesting of options and having to consider new option grants to create appropriate incentives and align the interests of management with those of the stockholders. The board of directors also acknowledged that the significant potential value of the proposed transaction to the Horizon stockholders warranted a decision to reimburse the directors and executive officers for the excise tax, on an after-tax basis, but deferred formal action on the proposal until the meeting to consider the approval of the proposed transaction.

On March 15, 2014, Cooley sent Mayer Brown a revised draft of the merger agreement.

Throughout March 15 and March 16, 2014, Cooley and Mayer Brown had multiple calls to discuss open issues in the draft merger agreement and registration rights agreement.

On March 16, 2014, Mayer Brown sent Cooley a revised draft of the merger agreement.

On March 17, 2014, Cooley sent Mayer Brown a revised draft of the merger agreement and comments from certain stockholders of Horizon on the proposed voting agreement. Throughout March 17, 2014 and parts of March 18, 2014, the parties worked on finalizing the merger agreement, the registration rights agreement, the restructuring plan, the employee retention agreements and a consulting agreement and the disclosure schedules to the merger agreement.

On March 18, 2014, the Horizon board of directors held its regularly scheduled meeting in San Diego, California with management and representatives of Citi, Cooley, McCann and KPMG. Mr. Santini participated in the meeting after consulting with Horizon s counsel about resolution of the prior potential conflict of interest. At the beginning of the meeting, Mr. Walbert updated the board on the status of the negotiations with Vidara. Representatives of Cooley reviewed the key provisions of the merger agreement, including structuring and timing considerations, the purchase price, the required Horizon stockholder vote, regulatory approvals and other closing conditions, the non-solicitation clauses of Vidara and Horizon and the fiduciary exceptions for the Horizon non-solicitation clause and the fact that the Vidara required vote will be obtained at signing, the Horizon change in board recommendation provisions, the lack of post-closing indemnifications, the termination provisions, limitations on specific performance in the event that

Horizon s financing is not completed, and the termination fees, reverse termination fees and expense reimbursement fees potentially payable by Horizon.

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Cooley also reviewed the covenants relating to the financing Horizon needs to complete to fund the cash portion of the transaction consideration. Cooley further discussed the voting agreements that directors, officers and certain stockholders were being asked to sign and the registration rights agreement. Throughout the presentation, the board asked questions and discussed the merger agreement. Also, at the meeting, representatives of Citi presented Citi s financial analysis of Horizon and Vidara as standalone companies and Citi s financial analysis of the transaction consideration to be paid to the Vidara shareholder. Citi also reviewed certain pro forma information about the combined company, including the present value of cash tax consequences of the combination. Citi then delivered to the Horizon board an oral opinion, confirmed by delivery of a written opinion dated March 18, 2014, to the effect that as of such date, based upon and subject to the various assumptions, qualifications and limitations set forth in the opinion, the transaction consideration (defined as the cash paid to Vidara s shareholder and the 31,350,000 ordinary shares of New Horizon to be retained by the Vidara shareholder) is fair, from a financial point of view, to Horizon and its stockholders (excluding Vidara and its affiliates). Citi next made a presentation on the terms of the Deerfield senior note financing and potential alternative financing. Following further discussion, the board of directors unanimously determined that the Merger Agreement and the transactions contemplated by the Merger Agreement are advisable to and in the best interest of Horizon and its stockholders, approved the execution, delivery and performance by Horizon of the Merger Agreement and the contemplated transactions and resolved to recommend to the Horizon stockholders that they vote for the adoption of the Merger Agreement and approval of the Merger. The board of directors also unanimously approved the execution and delivery of the commitment letter with Deerfield and unanimously approved Horizon s agreement to reimburse the directors and officers of Horizon on an after-tax basis for the payment of any U.S. excise taxes as a result of the transaction.

Following the board meeting that day, the parties continued to finalize the plan of restructuring in schedule 1 to the Merger Agreement, the Merger Agreement and the Disclosure Schedules. The evening of March 18, 2014, the directors and officers of Horizon and certain stockholders affiliated with directors of Horizon entered into Voting Agreements with Vidara and the parties executed the Debt Commitment and the Merger Agreement.

On March 19, 2014, before the opening of trading on the Nasdaq Stock Market, Horizon issued a press release announcing the execution of the Merger Agreement. A copy of the press release was filed with the SEC as an exhibit to a Current Report on Form 8-K filed on March 19, 2014.

On April 1, 2014, the parties filed a Premerger Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

Effective April 11, 2014, early termination of the waiting period under the HSR Act was granted.

On June 12, 2014, Horizon and Vidara Holdings entered into an amendment to the Merger Agreement to modify certain of the pre-closing reorganization steps of Vidara set forth on schedule 1 to the Merger Agreement in order to permit the use of distributable reserves of Vidara rather than proceeds of a credit facility to fund the redemption of certain shares.

On June 17, 2014, Horizon, as initial signatory, entered into a credit agreement with the lenders from time to time party thereto and Citibank, N.A., as administrative agent and collateral agent, which provides Horizon with $300.0 million in financing through a five year senior secured term loan facility.

Horizon s Reasons for the Merger and Recommendation of Horizon s Board of Directors

At its March 18, 2014 regularly scheduled meeting, the Horizon board of directors unanimously determined that the Merger Agreement and the transactions contemplated by the Merger Agreement are advisable to and in the best

interest of Horizon and its stockholders, approved the execution, delivery and performance by Horizon of the Merger Agreement and the contemplated transactions and resolved to recommend to the Horizon stockholders that they vote FOR adoption of the Merger Agreement and approval of the Merger.

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In evaluating the proposed Merger and Merger Agreement, the Horizon board of directors consulted with Horizon s senior management, financial advisors, legal advisors, tax advisors and other advisors and considered a number of factors, while weighing both the perceived benefits of the transaction as well as potential risks. The Horizon board of directors considered the following factors that it believes support its determination and recommendation:

The combination of Horizon and Vidara as New Horizon would accelerate the date by which Horizon is expected to become a profitable specialty pharmaceutical company;

New Horizon would have a broader revenue base resulting from a deeper portfolio of marketed drugs, including Horizon s DUEXIS®, VIMOVO® and RAYOS® marketed in the United States, Vidara s ACTIMMUNE® marketed in the United States and Horizon s LODOTRA® marketed outside the United States;

New Horizon would have a strong overall financial position, with (i) expected pro forma combined full year revenue in 2014 of $250 to $265 million and expected pro forma combined full year adjusted EBITDA, excluding transaction expenses, of $65 to $75 million in 2014 (in each case, assuming the Merger occurred on January 1, 2014) and (ii) based on updated guidance provided on May 9, 2014, expected pro forma combined full year revenue in 2014 of $270 to $280 million and expected pro forma combined full year adjusted EBITDA, excluding transaction expenses, of $80 to $90 million in 2014 (in each case, assuming the Merger occurred on or before July 31, 2014);

New Horizon would have an efficient corporate structure based in Ireland to support New Horizon s organic growth and acquisition strategy with the expected non-GAAP effective tax rate in the low 20% range compared to the non-GAAP effective tax rate in the high 30% range that was expected for Horizon as it transitioned to tax paying status;

The Horizon board of directors belief that New Horizon s anticipated market capitalization, strong balance sheet, free cash flow, liquidity and capital structure would enhance New Horizon s ability to execute on its strategy of both organic growth and growth through acquisitions and in-licensing;

The Horizon board of directors belief that New Horizon would be able to leverage the commercial and specialty product marketing experience of Horizon in maximizing the potential of ACTIMMUNE;

The fact that the number of shares of New Horizon to be retained by the Vidara shareholder is fixed and will not fluctuate based upon changes in the stock price of Horizon prior to the completion of the Merger;

The presentation and the financial analyses of Citigroup Global Markets Inc. and its opinion, to the effect that, based upon and subject to the various assumptions, qualifications and limitations set forth therein, as of March 18, 2014, the transaction consideration (defined as the cash paid to Vidara s shareholder and the

31,350,000 ordinary shares of New Horizon to be retained by the Vidara shareholder) is fair, from a financial point of view, to Horizon and its stockholders;

The fact that the New Horizon board of directors is expected to be composed initially of current directors of Horizon (other than Jeffrey W. Bird, M.D., Ph.D.), including its Chairman of the Board, President and Chief Executive Officer and Vidara Group s President and Chief Medical Officer;

The Horizon board of directors belief that the terms and conditions of the Merger Agreement, including the parties representations and warranties, covenants, deal protection provisions and closing conditions, are reasonable for a transaction of this nature;

That the sole shareholder of Vidara is a party to the Merger Agreement and has already approved the Merger Agreement and is prohibited from soliciting any alternative acquisition proposals, participating in any discussion or negotiations of any alternatives acquisition proposals, providing any information to any third party or entering into any agreement providing for the acquisition of Vidara;

The limited number and nature of the conditions to Vidara s obligation to complete the transactions contemplated by the Merger Agreement and a belief that the Merger is likely to be consummated in a timely manner;

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The fact that any New Horizon ordinary shares issued to the Horizon stockholders as a result of the Merger will be registered on Form S-4 and will generally be unrestricted for the Horizon stockholders;

The fact that the Merger is subject to the adoption of the Merger Agreement by the Horizon stockholders; and

The likelihood that the Merger will be completed on a timely basis.

The Horizon board of directors weighed these factors against a number of uncertainties, risks and potentially negative factors relevant to the Merger, including:

That generally, a U.S. stockholder of Horizon should recognize gain or loss, if any, on the receipt of New Horizon ordinary shares in exchange for Horizon common stock pursuant to the Merger;

The risk that other anticipated benefits, including tax benefits, to New Horizon might not be realized;

That the combination and integration of the businesses currently conducted by Horizon and Vidara will create numerous risks and uncertainties that could adversely affect New Horizon s operating results;

That managing a multi-national company will be significantly more complex and require greater resources than managing Horizon alone, including the complexities and inefficiencies of having personnel located across a larger geography;

That integrating Vidara will require the allocation of resources away from the core business of New Horizon;

That New Horizon will bear any risks, including unknown contingent liabilities, with respect to Vidara s business before the closing;

The risk that the Vidara revenue forecasts may not be attained;

That New Horizon will be subject to substantially more tax complexity and audit risk than Horizon;

The limited number and nature of the conditions to Horizon s obligation to complete the Merger and transactions contemplated by the Merger Agreement;

The fact that the Merger would result in officers and directors of Horizon having to pay certain excise taxes under U.S. Federal income tax law and Horizon will incur additional expense to Horizon to reimburse officers and directors on an after-tax basis for these excise taxes;

The risk that the Merger might not be consummated in a timely manner, or at all;

That failure to complete the Merger would cause Horizon to incur significant fees and expenses related to the transaction and could lead to negative perceptions among investors, potential investors and customers;

The risk that if the Merger Agreement is terminated under certain circumstances specified in the Merger Agreement, Horizon may be obligated to pay to the Vidara shareholder a termination fee of $23 million;

The fact that if the Horizon stockholders vote against the Merger, Horizon will be obligated to pay the Vidara shareholder an expense reimbursement of $13.5 million;

The fact that if Horizon is unable to complete the Merger after satisfaction of all of the closing conditions, including because of the failure of Horizon to complete its financing, and the Vidara shareholder stands ready, willing and able to close the Merger, Horizon would be obligated to pay the Vidara shareholder a termination fee of $44 million; and

The risks of the type and nature described under the sections entitled Risk Factors.

The Horizon board of directors concluded that the uncertainties, risks and potentially negative factors relevant to the transactions contemplated by the Merger Agreement were outweighed by the potential benefits that it expected Horizon and the Horizon stockholders would achieve as a result of the Merger.

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The Horizon board of directors conducted an overall analysis of the factors described above. In view of the wide variety of factors considered in connection with its evaluation of the Merger and the transactions contemplated by the Merger Agreement, and the complexity of these matters, the Horizon board of directors did not find it useful and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the Merger and the Merger Agreement and to make its recommendations to the Horizon stockholders. In addition, individual members of the Horizon board of directors may have given differing weights to different factors.

Vidara and Horizon Unaudited Prospective Financial Information

Neither Vidara nor Horizon, as a matter of course, makes public long-term projections as to future revenues, earnings or other results due to the inherent unpredictability and subjectivity of the underlying assumptions and estimates. However, as discussed below and under *The Merger Opinion of Horizon s Financial Advisor* beginning on page 49 of this proxy statement/prospectus, Citi reviewed certain unaudited financial projections of Vidara for 2014 2018 incorporating certain adjustments thereto made by the management of Horizon as well as certain extrapolations for the calendar years 2019 2022 made by management of Horizon, which is referred to in this proxy statement/prospectus as Horizon s Vidara projections, and, with respect to Horizon, certain unaudited financial projections relating to Horizon for the calendar years 2014 2023, which is referred to in this proxy statement/prospectus as Horizon projections. Horizon s management made certain adjustments to the Vidara management projections for the years 2014 through 2018, relating primarily to increases in revenue from assumed pricing increases. Horizon assumed a 2% annual growth in paid vial sales in 2019 2021, a 2% decline in paid vial sales in 2022 due to patent expiration and a 0.5% annual decrease in pricing from 2019 2022. Horizon projections and Horizon s Vidara projections were also made available to the Horizon board of directors in connection with the presentation of the financial analyses of Citi.

The inclusion of information about Horizon s Vidara projections and the Horizon projections in this proxy statement/prospectus should not be regarded as an indication that any of Vidara, Horizon or any other recipient of this information considered, or now considers, Horizon s Vidara projections or the Horizon projections to be predictive of actual future results. The information about Horizon s Vidara projections and the Horizon projections included in this proxy statement/prospectus is presented solely to give Horizon stockholders access to the information that was made available to Horizon s financial advisor and Horizon s board of directors.

Neither Horizon s Vidara projections nor the Horizon projections were prepared with a view toward public disclosure or for complying with the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither Horizon s independent registered public accounting firm, nor Vidara s independent auditors, nor any other independent accountants, have (a) compiled, examined, or performed any procedures with respect to these projections or any other prospective financial information, or (b) expressed any opinion or any other form of assurance with respect thereto or the achievability of the results reflected in such projections, and none of the foregoing assumes responsibility for such projections. The PricewaterhouseCoopers LLP reports incorporated by reference in this proxy statement/prospectus relate to Horizon s historical financial information, and the Habif, Arogeti & Wynne LLP reports included in this proxy statement/prospectus relate to Vidara s historical financial information. They do not extend to these projections or any other prospective financial information and should not be read to do so.

Horizon s Vidara projections and the Horizon projections reflect subjective judgments in many respects and, therefore, are susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. Horizon s Vidara projections and the Horizon projections reflect numerous estimates and assumptions with respect to industry performance and competition, general business, economic, market and financial conditions and matters specific to Vidara s and Horizon s businesses, including, the commercial performance of certain products

based on existing approved indications for those products and the factors listed in this proxy statement/prospectus under the section entitled *Risk Factors*, all of which are difficult to predict

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and many of which are beyond Vidara s or Horizon s control, and which ultimately may prove to be incorrect. Horizon s Vidara projections reflect a tax rate of 5% due to its existing Bermuda and Irish structure and the Horizon projections reflect a tax rate of 38% and utilization of its existing net operating losses based on Horizon s existing structure. Horizon s Vidara projections assume its U.S. patents for ACTIMMUNE, which is a biologic, expire in 2022 and that sales decline 2% per year following patent expiration. The Horizon projections assume patent protection for Horizon products as follows: DUEXIS, until January 1, 2023 (based on settled litigation); LODOTRA, until March 31, 2022; RAYOS, until July 31, 2024; and VIMOVO, until December 31, 2018. The actual expiration dates for the VIMOVO and RAYOS patents are the subject of ongoing litigation. Other than with respect to certain adjustments made by Horizon management, Horizon s Vidara projections were not internally prepared or adopted by Horizon management. Many of the assumptions reflected in Horizon s Vidara projections and the Horizon projections were based on estimates and are subject to change. Neither Horizon nor Vidara has updated, nor does either of them intend to update or otherwise revise, Horizon s Vidara projections or the Horizon projections (excluding, in the case of Horizon, possible ordinary course updates of Horizon s fiscal 2014 guidance), except as required by law. There can be no assurance that the results reflected in any of Horizon s Vidara projections or the Horizon projections will be realized, or that actual results will not materially vary from Horizon s Vidara projections or the Horizon projections, respectively.

The projections do not give pro forma effect to the combination of Horizon or Vidara or the new senior secured debt that Horizon will incur to finance the combination or in any way attempt to project or predict how New Horizon will perform. In addition, since these projections cover multiple years, such information by its nature becomes less predictive with each successive year. Therefore, the inclusion of these projections in this proxy statement/prospectus should not be relied on as predictive of actual future events of either Vidara or Horizon as standalone companies (assuming the Merger is not consummated) or of New Horizon.

Horizon stockholders are urged to review *Risk Factors* beginning on page 20 of this proxy statement/prospectus for a description of risk factors relating to the combination of Horizon s and Vidara s businesses and New Horizon and risk factors relating to Vidara s business and Horizon s most recent SEC filings for a description of risk factors with respect to Horizon s businesses. You should read also the section entitled *Cautionary Note Regarding Forward-Looking Statements* beginning on page 36 of this proxy statement/prospectus for additional information regarding the risks inherent in forward-looking information such as the financial projections and *Where You Can Find More Information* beginning on page 261 of this proxy statement/prospectus.

Certain of the financial projections set forth herein, including EBITDA, EBIT and unlevered free cash flow, are non-GAAP financial measures, which means they are financial measures not presented or calculated in accordance with generally accepted accounting principles in the United States (or U.S. GAAP). Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with U.S. GAAP, and Non-GAAP financial measures as used by Horizon and Vidara may not be comparable to similarly titled amounts used by other companies.

For the reasons described above, readers of this proxy statement/prospectus are cautioned not to unduly rely on the Horizon projections or Horizon s Vidara projections. Neither Vidara nor Horizon has made any representation to Horizon or Vidara, as applicable, or any other person in the Merger Agreement or otherwise concerning any of the Horizon projections or Horizon s Vidara projections.

The following tables present a summary of Horizon s Vidara projections and a summary of the Horizon projections. These financial forecasts were based on numerous variables and assumptions that are inherently uncertain and may be beyond the control of Vidara or Horizon.

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Horizon s Vidara Projections

	Year Ended December 31,								
	2014E	**2015E**	**2016E**	**2017E**	**2018E**	**2019E**	**2020E**	**2021E**	**2022E**
Net Sales	**$ 71**	**$ 82**	**$ 93**	**$ 104**	**$ 116**	**$ 127**	**$ 137**	**$ 147**	**$ 151**
Gross Profit	**$ 68**	**$ 79**	**$ 89**	**$ 100**	**$ 112**	**$ 122**	**$ 132**	**$ 143**	**$ 147**
EBITDA	**$ 48**	**$ 60**	**$ 70**	**$ 84**	**$ 96**	**$ 106**	**$ 115**	**$ 125**	**$ 129**
Less: Depreciation & Amortization	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
EBIT	**$ 44**	**$ 57**	**$ 66**	**$ 81**	**$ 93**	**$ 102**	**$ 112**	**$ 122**	**$ 125**
Tax Expense / (Benefit)	2	3	3	4	5	5	6	6	6
Net Operating Profit After Tax	**$ 42**	**$ 54**	**$ 63**	**$ 77**	**$ 88**	**$ 97**	**$ 106**	**$ 116**	**$ 119**
Plus: D&A	4	4	4	4	4	4	4	4	4
Less: CapEx									
Less: Change in NWC	(4)	(1)	(1)	(0)	(1)	(1)	(1)	(1)	0
Unlevered Free Cash Flow	**$ 42**	**$ 57**	**$ 66**	**$ 80**	**$ 91**	**$ 100**	**$ 109**	**$ 119**	**$ 123**

Horizon Projections

	Year Ended December 31,									
	2014E	**2015E**	**2016E**	**2017E**	**2018E**	**2019E**	**2020E**	**2021E**	**2022E**	**2023E**
Net Sales	**$ 206**	**$ 321**	**$ 404**	**$ 437**	**$ 451**	**$ 393**	**$ 399**	**$ 372**	**$ 357**	**$ 103**
Gross Profit	**$ 174**	**$ 285**	**$ 363**	**$ 394**	**$ 406**	**$ 365**	**$ 370**	**$ 345**	**$ 334**	**$ 95**
EBITDA	**40**	**146**	**223**	**249**	**256**	**225**	**229**	**215**	**207**	**66**
Less: Depreciation & Amortization	$ 22	$ 22	$ 22	$ 21	$ 21	$ 7	$ 7	$ 8	$ 5	$ 4
EBIT	**$ 18**	**$ 124**	**$ 201**	**$ 228**	**$ 235**	**$ 218**	**$ 222**	**$ 207**	**$ 202**	**$ 62**
Interest Expense/(Income), net	17	17	17	17	15	0	0	0	0	0
Other Expense (Income), net	0	0	0	5	10	0	0	0	0	0
Pre-Tax Income (GAAP)	1	107	184	206	210	218	222	207	202	62
Taxable Income (Non GAAP)	35	140	217	238	241	226	231	216	208	67
Tax Expense/(Benefit)	$ 7	$ 47	$ 77	$ 87	$ 89	$ 83	$ 84	$ 79	$ 77	$ 23
Net Operating Profit After Tax	**$ 11**	**$ 77**	**$ 125**	**$ 141**	**$ 146**	**$ 135**	**$ 137**	**$ 128**	**$ 125**	**$ 38**
Plus: D&A	22	22	22	21	21	8	8	8	5	4
Less: CapEx	(3)	(1)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

Less: Change in NWC	(29)	(7)	38	18	1	9	(3)	3	2	30
Unlevered Free Cash Flow	**$ 1**	**$ 91**	**$ 183**	**$ 180**	**$ 167**	**$ 151**	**$ 142**	**$ 138**	**$ 131**	**$ 71**

(1) For this purpose, Non-GAAP EBITDA represents U.S. GAAP operating gain before amortization and depreciation.

(2) For this purpose, free cash flow represents GAAP net income plus certain amounts related to depreciation expense, amortization expense, interest expense, income tax expense and certain other items, less cash taxes, capital expenditures and less the amount of any increase or plus the amount of any decrease in net working capital.

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Opinion of Horizon s Financial Advisor

Opinion of Citi Financial Advisor to Horizon

Horizon has retained Citi as its lead financial advisor and JMP Securities LLC as its co-financial advisor in connection with the transaction. In connection with the engagement of Citi, Horizon requested that Citi evaluate the fairness, from a financial point of view, to Horizon and its stockholders (other than Vidara and its affiliates) of the transaction consideration pursuant to the terms and subject to the conditions set forth in the Merger Agreement. On March 18, 2014, at a meeting of the Horizon board of directors to evaluate the transaction, Citi delivered to the Horizon board of directors an oral opinion, confirmed by delivery of a written opinion dated March 18, 2014, to the effect that, based on and subject to various assumptions, matters considered and limitations and qualifications described in its opinion, its experience as investment bankers, and the work conducted by Citi as described in the opinion, and other factors Citi deemed relevant, as of the date thereof, the Transaction Consideration was fair, from a financial point of view, to Horizon and its stockholders (other than Vidara and its affiliates).

The full text of Citi s written opinion, dated March 18, 2014, which sets forth, among other things, the assumptions made, procedures followed, matters and factors considered and limitations and qualifications on the review undertaken by Citi in rendering its opinion, is attached to this proxy statement/prospectus as Annex B and is incorporated herein by reference in its entirety. The summary of Citi s opinion set forth below is qualified in its entirety by reference to the full text of the opinion. **Citi s financial advisory services and opinion were provided solely for the information of the board of directors of Horizon (in its capacity as such) in its evaluation of the proposed transaction, and did not address any other aspect or implication of the transaction or related transactions. Citi was not requested to consider, and its opinion did not address, the underlying business decision of Horizon to effect the transaction, the relative merits of the transaction as compared to any alternative business strategy or transaction that might exist for Horizon or the effect of any other transaction in which Horizon might engage. Under the terms of its engagement, Citi has acted as an independent contractor, not as agent or fiduciary. Citi s opinion was not intended to be and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any matters relating to the proposed transaction.**

In arriving at its opinion, Citi:

- reviewed a draft of the Merger Agreement dated March 17, 2014;
- held discussions with certain senior officers, directors and other representatives and advisors of Horizon and certain senior officers and other representatives and advisors of Vidara concerning the business, operations and prospects of Horizon and Vidara;
- examined certain publicly available business and financial information relating to Horizon as well as certain financial forecasts and other information and data relating to Horizon and Vidara which were provided to or discussed with Citi by the respective managements of Horizon and Vidara (including tax consequences and cost and revenue synergies and related expenses (the Synergies) and the amount, timing and achievability thereof) anticipated by the management of Horizon to result from the transaction;

reviewed the financial terms of the transaction as set forth in the Merger Agreement in relation to, among other things: current and historical market prices of Horizon shares; the historical and projected earnings and other operating data of Horizon and Vidara; and the capitalization and financial condition of Horizon and Vidara;

considered, to the extent publicly available, the financial terms of certain other transactions that Citi considered relevant in evaluating the transaction and analyzed certain financial, stock market and other publicly available information relating to those businesses of other companies whose operations Citi considered relevant in evaluating those of Horizon and Vidara;

evaluated certain potential pro forma financial effects of the transaction on Horizon based on information provided to Citi by the management of Horizon; and

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conducted such other analyses and examinations and considered such other information and financial, economic and market criteria as Citi deemed appropriate in arriving at its opinion.

The issuance of Citi s opinion was authorized by Citi s fairness opinion committee.

In rendering its opinion, Citi assumed and relied, without independent verification, upon the accuracy and completeness of all financial and other information and data publicly available or provided to or otherwise reviewed or discussed with Citi and upon the assurances of the managements of Horizon and Vidara that they were not aware of any relevant information that was omitted or that remained undisclosed to Citi. With respect to financial forecasts and other information and data provided to or otherwise reviewed by Citi or discussed with Citi relating to Horizon or Vidara, and, in the case of certain potential pro forma financial effects of, and strategic implications and operational benefits resulting from, the transaction (including the Synergies), provided to or otherwise reviewed by or discussed with Citi, Citi assumed, at the direction of the Horizon board of directors, that such forecasts and other information and data were reasonably prepared on bases reflecting the best currently available estimates and judgments of the respective managements of Horizon and Vidara as to the future financial performance of Horizon and Vidara, such strategic implications and operational benefits (including the amount, timing and achievability thereof) anticipated to result from the transaction and other matters covered thereby, and assumed, at the direction of the Horizon board of directors, that the financial results (including such potential strategic implications and operational benefits anticipated to result from the transaction) reflected in such forecasts and other information and data will be realized in the amounts and at the times projected.

Citi assumed, with Horizon s consent, that the transaction will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement, and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the transaction, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Vidara, Horizon or the contemplated benefits of the transaction. Representatives of Horizon advised Citi, and Citi further assumed, that the final terms of the Merger Agreement will not vary materially from those set forth in the draft reviewed by Citi. Citi assumed that no working capital or other adjustment to the Cash Consideration, as contemplated by the Merger Agreement, will be made.

Citi expressed no opinion as to what the value of the Vidara Shares actually will be when issued pursuant to the Merger Agreement or the price at which the Vidara Shares will trade at any time. Citi has not made or been provided with an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Vidara nor has Citi made any physical inspection of the properties or assets of Vidara. Citi expresses no view as to, and Citi s opinion did not address, the underlying business decision of Horizon to effect the transaction, the relative merits of the transaction (including, without limitation, the structure of the transaction and the tax consequences thereof) as compared to any alternative business strategy that might exist for Horizon or the effect of any other transaction in which Horizon might engage. Citi also expressed no view as to, and Citi s opinion did not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation to any officer, director or employee of any party to the transaction, or any class of such persons, relative to the Transaction Consideration. With the consent of the Horizon board of directors, Citi has not provided any tax, accounting, legal or regulatory advice in connection with the transaction, including, without limitation, advice with respect to the tax consequences to Horizon, Vidara or the stockholders or shareholders of Horizon and Vidara of the transaction and any related pre- or post-transaction restructuring, or the effect of the transaction or any such restructuring on the tax positions or liabilities or effective tax rate of Vidara and/or its subsidiaries or Horizon, and relied on the assessments made by Horizon and its advisors with respect to such matters. Citi assumed, with the consent of Horizon, that the stockholders of Horizon will seek independent tax advice regarding the tax implications of the transaction to them, and Citi s opinion does not address any such tax implications. Citi s opinion was necessarily based upon information available to Citi, and financial, stock market and other conditions and circumstances existing, as of the date of its opinion.

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Summary of Material Analyses

The following is a summary of material financial analyses presented to the Horizon board of directors in connection with Citi s opinion and a summary of the material data upon which such analyses were based. The summary set forth below does not purport to be a complete description of the analyses performed by, and underlying the opinion of, Citi, nor does the order of the analyses described represent the relative importance or weight given to those analyses by Citi. The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analysis performed by Citi, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by Citi.

Comparable Company Analyses

Citi performed a comparable company analysis, which is an analysis designed to provide an implied value of a company by comparing it to similar companies, for each of Horizon and Vidara. Citi compared certain financial information of Horizon and Vidara with publicly available information for selected peer group companies that Citi judged to be analogous to Horizon based on size and other relevant financial metrics in the specialty pharmaceuticals industry and Vidara based on size and other relevant financial metrics of pharmaceutical companies focused on commercializing orphan status designated drugs.

The peer group for Horizon included:

Salix

Cubist

Mallinckrodt

The Medicines Company

Horizon Pharma

Acorda Therapeutics

Keryx Biopharmaceuticals

Depomed

Zogenix

AMAG Pharmaceuticals

The peer group for Vidara included:

NPS Pharmaceuticals

Aegerion

Raptor Pharmaceuticals

Avanir Pharmaceuticals

Vanda Pharmaceuticals

Hyperion Therapeutics

Corcept Therapeutics

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For these analyses, Citi analyzed the following statistics for each of these companies based on both publicly available research analyst estimates for the peer group companies and public filings by such companies as of March 14, 2014:

- the ratio (FV/Revenue) of firm value to estimated calendar year 2014 revenue;
- the ratio (FV/Revenue) of firm value to estimated calendar year 2015 revenue;
- the ratio (FV/EBITDA) of firm value to estimated calendar year 2014 EBITDA;
- the ratio (FV/EBITDA) of firm value to estimated calendar year 2015 EBITDA;
- the ratio (P/E) of the closing price as of March 14, 2014 to estimated calendar year 2014 earnings per diluted share outstanding; and
- the ratio (P/E) of the closing price as of March 14, 2014 to estimated calendar year 2015 earnings per diluted share outstanding.

The mean and median of the firm value to revenue, firm value to EBITDA and price to earnings multiples calculated for each of the companies in the selected peer groups for each of Horizon and Vidara, is set forth below:

Vidara Peer Group (1)

	FV / Revenue		FV / EBITDA		P / E	
	2014E	**2015E**	**2014E**	**2015E**	**2014E**	**2015E**
Mean	10.2x	5.6x	NM	13.0x	NM	18.1x
Median	11.5	5.7	NM	10.9	NM	18.1

(1) NM is designated for FV / Revenue multiples greater than 25.0x, FV / EBIDTA multiples greater than 30.0x, and P/E multiples greater than 50.0x or less than zero for all metrics.

Horizon Peer Group

	FV / Revenue		FV / EBITDA		P / E	
	2014E	**2015E**	**2014E**	**2015E**	**2014E**	**2015E**
Mean	4.4x	3.7x	12.9x	16.3x	20.8	22.4x
Median	4.6	3.3	12.9	11.6	20.8	19.8

Based on the analysis of the relevant metrics for each of the comparable companies and on the experience and judgment of Citi, a representative range of financial multiples of the comparable companies was applied to the

estimated 2014 revenue for Horizon and Vidara to estimate an implied equity value of each of Horizon and Vidara.

Based on the representative range of financial multiples of 8.0x to 10.0x to estimated calendar year 2014 Revenue (FV / 2014E Revenue), Citi estimated the implied equity value of Vidara to be between $570,000,000 and $715,000,000.

Based on the representative range of financial multiples of 4.0x to 6.0x to estimated calendar year 2014 Revenue (FV / 2014E Revenue), Citi estimated the implied equity value of Horizon to be between $755,000,000 and $1,165,000,000.

No company in the comparable company analysis is identical to Horizon or Vidara. In evaluating the peer group, Citi made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Horizon or Vidara,

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such as the impact of competition on the business of Horizon, Vidara or the industry generally, industry growth and the absence of any material adverse change in the financial condition and prospects of Horizon, Vidara or the industry or in the financial markets in general. Mathematical analysis, such as determining the average or median, is not in itself a meaningful method of using peer group data.

Precedent Transaction Analyses

Using publicly available information, Citi reviewed the terms of 11 selected precedent transactions involving companies with marketed drugs in the pharmaceutical industry which were announced in or after 2008. Citi selected these transactions in the exercise of its professional judgment and experience because Citi deemed them to be most similar to Vidara or otherwise relevant to the transaction. No company or transaction was, however, identical to Vidara or the transaction.

Citi reviewed the transaction value (TV) and calculated the ratio of transaction value to the last twelve months of revenue (referred to as LTM Revenue) at the time of announcement of each of the comparable transactions.

The following tables set forth the 11 selected precedent transactions:

Precedent Transactions > $1 billion

Acquiror	Target	Announcement Date
Mallinckrodt	Cadence	2/11/2014
Shire	ViroPharma	11/11/2013
Salix	Santarus	11/7/2013
GlaxoSmithKline	Human Genome Sciences	7/16/2012
Bristol-Myers Squibb	Amylin	6/29/2012
Celgene	Abraxis BioScience	6/30/2010
Astellas Pharma	OSI Pharmaceuticals	5/16/2010

Precedent Transactions < $1 billion

Acquiror	Target	Announcement Date
Jazz	Gentium	12/19/2013
Cubist	Optimer	7/30/2013
Endo Health Solutions	Indevus Pharmaceuticals	1/5/2009
Viropharma	Lev Pharmaceuticals	7/15/2008

The mean and median LTM Revenue multiples calculated for the 7 selected precedent transactions with a transaction value greater than $1 billion were 10.2x and 9.1x, respectively. The mean and median LTM Revenue multiples calculated for the 4 selected precedent transactions with a transaction value less than $1 billion were 9.8x and 6.0x, respectively.

In addition, Citi reviewed the transaction value and calculated the TV / LTM Revenue ratio for the three orphan transactions included in the selected precedent transactions: (1) Jazz/Gentium, (2) Shire/ViroPharma and (3) Viropharma/Lev Pharmaceuticals. The median and mean LTM Revenue multiples calculated for these three orphan precedent transactions were both 13.8x.

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Based on this analysis and on the experience and judgment of Citi, a representative range of TV / LTM Revenue multiples was selected and applied to the LTM Revenue metric for Vidara, derived from publicly available information. The representative range used for the precedent transactions was 9.0x to 12.0x FV / LTM Sales. This range of multiples resulted in an implied equity value of Vidara ranging from approximately $535,000,000 to $715,000,000.

Citi did not perform a precedent transaction analysis with respect to Horizon.

No company or transaction utilized as a comparison in the selected precedent transactions analysis is identical Vidara, nor are any such precedent transactions identical to the transaction. In evaluating the transactions listed above, Citi made judgments and assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Vidara, including, but not limited to, the impact of competition on the business of Vidara or the industry generally, industry growth, and the absence of any adverse material change in the financial condition and prospects of Vidara or the industry or in the financial markets in general, which could affect the public trading value of the companies and the aggregate value of the transactions to which they are being compared. Mathematical analysis, such as determining the average or median, is not in itself a meaningful method of using comparable transaction data.

Discounted Cash Flow Analyses

Citi performed discounted cash flow analyses of Horizon and Vidara to derive present values as of March 31, 2014 (using a mid-year discounting convention) of projected unlevered free cash flows based on the projections provided by Horizon s management.

Citi calculated terminal values of Vidara by applying to Vidara s calendar year 2022 estimated free cash flows a range of perpetuity growth rates of (7.5%) to 0.0%. The present value of the cash flows and terminal values were then calculated using discount rates ranging from 11.0% to 13.0% based on a calculation of Vidara s weighted average cost of capital. This analysis resulted in an implied equity value of Vidara from approximately $629,000,000 to $927,000,000.

Citi calculated terminal values of Horizon by applying to Horizon s calendar year 2023 estimated free cash flows a range of perpetuity growth rates of (15.0%) to 0.0%. The present value of the cash flows and terminal values were then calculated using discount rates ranging from 10.0% to 12.0% based on a calculation of Horizon s weighted average cost of capital. This analysis resulted in an implied equity value of Horizon from approximately $712,000,000 to $889,000,000.

Citi then conducted the same analysis taking into account the present value of Horizon s net operating losses based on the utilization of Horizon s net operating losses estimated by Horizon s management, discounted at a cost of equity ranging from 10.0% to 12.0% based on a calculation of Horizon s weighted average cost of capital. This analysis resulted in an implied equity value of Horizon, based on the midpoint of the range, from approximately $776,000,000 to $953,000,000.

Supplemental Information

Citi also performed certain pro forma analyses, including a pro forma comparable company analysis and a pro forma discounted cash flows analysis, based on projections provided by Horizon s management, based on Horizon s weighted average cost of capital, and assuming revenue synergies of $83,000,000 and cost synergies of $2,000,000 (collectively, the merger synergies). While the effects of the merger synergies were not considered part of Citi s

financial analysis with respect to its opinion, such synergies are included in the calculations described below for informational purposes.

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Based on the analysis of the comparable companies described above under Comparable Company Analyses , the same range of financial multiples used for the Comparable Company Analyses above was applied to the relevant pro forma financial statistics for Vidara to estimate an implied equity value. Based on the ratio of firm value to estimated calendar year 2014 Revenue (FV / 2014E Revenue), and taking into account the merger synergies, Citi estimated the implied equity value of Vidara to be between approximately $655,000,000 and $800,000,000.

Citi also performed a discounted cash flow analysis of Vidara on a pro forma basis, using a range of perpetuity growth rates of (7.5%) to 0.0% and a range of discount rates from 11.0% to 13.0% based on a calculation of Vidara s weighted average cost of capital, the same ranges that were used for performing the standalone discounted cash flow analysis of Vidara as described above under Discounted Cash Flow Analyses. This analysis, after taking into account the merger synergies, resulted in an implied equity value of Vidara from approximately $715,000,000 to $1,010,000,000.

General

In preparing its opinion, Citi performed a variety of financial and comparative analyses, including those described above. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the applications of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to a partial analysis or a summary description. Citi arrived at its ultimate opinion based on the results of all analyses undertaken by each and assessed as a whole, and did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis. Accordingly, Citi believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying their analyses and opinions. In addition, Citi may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above should not be taken to be the view of Citi with respect to the actual value of Horizon or Vidara.

In performing its analyses, Citi considered and made numerous assumptions with respect to industry performance, general business, regulatory, economic, market and financial conditions and other matters existing as of the date of its opinion, many of which are beyond the control of Horizon and Vidara. No company, business or transaction used in those analyses as a comparison is identical or directly comparable to Horizon, Vidara or the transaction, and an evaluation of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, business segments or transactions analyzed.

The estimates contained in Citi s analyses and the valuation ranges resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by such estimates. In addition, analyses relating to the value of businesses or securities do not necessarily purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, the analyses performed by Citi are inherently subject to substantial uncertainty.

The type and amount of consideration payable in the transaction were determined through arms-length negotiations between Horizon and Vidara and were approved by the Horizon board of directors. Citi provided advice to Horizon during such negotiations; however, Citi did not recommend any specific consideration or that any specific consideration constituted the only appropriate consideration in connection with the proposed transaction. The opinion of Citi and its presentation to the Horizon board of directors of directors were among

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many factors considered by the Horizon board of directors in its evaluation of the transaction and should not be viewed as determinative of the views of the Horizon board of directors or Horizon management with respect to the transaction or the Transaction Consideration.

In selecting Citi as its lead financial advisor in connection with the transaction, Horizon considered, among other things, its qualification, capability, and reputation. In addition, Citi has substantial knowledge of and experience in the pharmaceutical sector. Citi is an internationally recognized investment banking firm that regularly engages in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. For the foregoing reasons, Horizon selected Citi as its lead financial advisor.

In connection with Citi s services as Horizon s lead financial advisor, Horizon has agreed to pay Citi a transaction fee of $4,500,000, $1,000,000 of which became payable to Citi upon the delivery of its opinion and the balance of which is contingent upon the consummation of the transaction. In addition, Horizon has agreed to pay Citi a fee equal to 3% of the aggregate debt financing incurred by New Horizon and/or its subsidiaries in connection with the transaction for advising Horizon on such financing, which fee will be shared with Cowen, who is also advising Horizon on such financing. Horizon has also agreed to reimburse Citi for certain expenses incurred in performing their services, including reasonable travel and other reasonable deal-related expenses, including reasonable fees and expenses of its legal counsel. Horizon has also agreed to indemnify Citi and its affiliates and their respective directors, officers, agents and employees and each other person controlling Citi or any of its affiliates against certain liabilities and expenses, including certain liabilities under the federal securities laws, related to or arising out of Citi s engagement.

Citi and its affiliates have been engaged to provide strategic advisory services to Horizon on a going-forward basis, and may in the future provide other services to Horizon, Vidara and their respective affiliates unrelated to the transaction, including assisting in any secondary offering of equity securities received by Horizon in the transaction, for which Citi and its affiliates may receive compensation. In the ordinary course of Citi s business, Citi and its affiliates may actively trade or hold the securities of Horizon for its own account or for the account of its customers and, accordingly, may at any time hold a long or short position in such securities. In addition, Citi and its affiliates (including Citigroup Inc. and its affiliates) may in the future maintain relationships with Horizon, Vidara and their respective affiliates.

Interests of Certain Persons in the Merger

Management

Horizon Employment Following the Merger

Pursuant to the Merger Agreement, the officers of New Horizon following the Merger will be designated by Horizon. As of the date of the proxy statement/prospectus, it is expected that the following current executive officers of Horizon will be the executive officers of New Horizon: Timothy P. Walbert, President, Chief Executive Officer and Chairman of the board of directors; Robert F. Carey, Executive Vice President and Chief Business Officer; Robert J. De Vaere, Executive Vice President and Chief Financial Officer (Mr. De Vaere will serve in such role until his retirement on September 30, 2014); Paul W. Hoelscher, Executive Vice President, Finance (Mr. Hoelscher will serve in such role until October 1, 2014, at which time he will then serve as Executive Vice President and Chief Financial Officer); Jeffrey W. Sherman, M.D., FACP, Executive Vice President, Development, Manufacturing and Regulatory Affairs and Chief Medical Officer; and Todd N. Smith, Executive Vice President and Chief Commercial Officer. Other current members of the Horizon management team may either continue to be employed by Horizon and be compensated by Horizon or may be employed by New Horizon and compensated by New Horizon. Their positions at

Horizon or New Horizon may entitle these individuals to equity awards from New Horizon.

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In addition, the compensation committee of the New Horizon board of directors may consider the role of Horizon s executive officers played in securing and executing the Merger in connection with its determinations of payments under the Horizon annual bonus award program.

Horizon Merger-Related Compensation

Under Horizon s executive employment agreements and Horizon s Amended and Restated Severance Benefit Plan, the Merger does not constitute a change in control, and therefore the Merger will not trigger any benefits under the executive employment agreements or the Severance Benefit Plan. Likewise, the Merger does not constitute a change in control under the equity compensation plans of Horizon and therefore will not cause any acceleration of outstanding Horizon equity awards. However, in connection with the Merger, certain payments may be made, as described below under *Golden Parachute Compensation.*

Golden Parachute Compensation

As discussed in *Certain Tax Consequences of the Merger Tax Consequences of the Merger to U.S. Holders*, Horizon U.S. security holders will recognize gain or loss in connection with the Merger and any individuals which are each referred to in this proxy statement/prospectus as a covered individual, who is or was an executive officer or director of Horizon or New Horizon and subject to the reporting requirements of Section 16(a) of the Exchange Act at any time during the period commencing six months before and ending six months after the closing of the Merger will be subject to an excise tax (15% in 2014) under Section 4985 of the Code on the value of certain stock compensation held at any time during the same period by the covered individual.

The excise tax applies to all payments (or rights to payment) granted to the covered individuals by Horizon or New Horizon in connection with the performance of services if the value of such payment is based on (or determined by reference to) the value of stock in Horizon or New Horizon (excluding certain statutory incentive stock options and holdings in tax qualified plans). This includes any outstanding (a) nonqualified stock options, whether vested or unvested, (b) restricted stock awards that remain subject to forfeiture, (c) unvested restricted stock unit awards, (d) vested but deferred shares and (e) unvested performance restricted stock unit awards, in each case which are held by the covered individuals during this twelve month period. However, even if the excise tax is applicable generally, the excise tax will not apply to (i) any stock option which is exercised prior to the closing date of the Merger, or to the stock acquired in such exercise, if the related income is recognized on or before the closing date of the Merger, and (ii) any other specified stock compensation which is exercised, sold, distributed, cashed-out, or otherwise paid prior to the closing date of the Merger in a transaction in which income is recognized by the security holder.

The Horizon board of directors carefully considered the impact of the potential Section 4985 excise tax on the covered individuals, determining that the imposition of the tax on the covered individuals, when the vesting of outstanding equity awards subject to the excise tax is not being accelerated and covered individuals are receiving no additional benefit in connection with the transaction, would result in the affected individuals being deprived of a substantial portion of the value of their equity awards. The Horizon board of directors concluded that it would not be appropriate to permit a significant burden arising from a transaction expected to bring significant strategic and financial benefits to Horizon and its stockholders, including operational and tax synergies, to be imposed on the individuals most responsible for consummating the transaction and promoting the success of the combined companies.

In addition, the Horizon board of directors assessed and compared the relative costs and benefits of two potential approaches for mitigating the possible impact of the Section 4985 excise tax: (1) reimbursing the covered individuals for the Section 4985 excise tax that would be payable by them as a result of the transaction (and any resulting income), and (2) accelerating the vesting of and/or canceling the equity awards held by the covered individuals. In

weighing these alternatives, and deciding in favor of reimbursing the covered individuals for the Section 4985 excise tax and the resulting income, as opposed to accelerating the vesting and delivery of

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outstanding equity awards, the Horizon board of directors considered the high cost to Horizon, New Horizon and their shareholders of accelerating the vesting of the equity awards. Specifically the Horizon board of directors determined that accelerating the vesting and payment of outstanding equity awards to avoid the excise tax could result in Horizon or New Horizon incurring an unnecessary compensation expense following the Merger because it would also be necessary to make new equity grants in order to incentivize and retain key individuals and align the interests of the executive officers and directors with shareholders following the Merger. Conversely, if the covered individuals are reimbursed for the excise tax, Horizon will only incur additional expense when and to the extent it is determined that the excise tax is applicable.

In addition, the Horizon board of directors considered the strong desire to continue to align the interests of executive officers and directors with stockholder interests through substantial and meaningful officer and director equity ownership. Each of Horizon s executive officers has a significant number of unvested equity awards. The board determined that the effect of accelerating the vesting of, or canceling, such awards would be to lose significant retention value during a crucial period. Furthermore, the Horizon board of directors considered the preference that Horizon s executive officers hold long-term performance-based compensation, which represents a large percentage of the unvested awards outstanding, and that accelerating the vesting of these performance-based awards could result in unearned compensation being paid to the executives.

Therefore, after careful consideration, the Horizon board of directors concluded that, if the Merger is approved, Horizon would provide the covered individuals with a payment with respect to the excise tax, so that, on a net after-tax basis, they would be in the same position as if no such excise tax had applied to them, which payment is referred to in this proxy statement/prospectus as the excise tax and gross up payment. The actual amounts to be paid to the covered individuals by Horizon will not be determinable until after the consummation of the transactions contemplated by the Merger Agreement. These amounts would be paid following the closing of the Merger, which is subject to approval and adoption of the Merger Agreement and the Merger by Horizon s stockholders, when the excise tax becomes due and payable in 2015. These payments are intended only to place the covered individuals in the same position as other Horizon stockholders with respect to their equity compensation after the Merger. In addition, the covered individuals will retain the obligation to pay income and other taxes on all of their individual equity awards when due. The outstanding equity awards held by the covered individuals will continue to reflect the same terms, including vesting schedules, at the combined entity.

The estimated value of the excise tax and gross up payment for each of the Horizon named executive officers (and each additional executive officer identified) is set forth below in the table entitled Golden Parachute Compensation. When compared against the enhanced value of the transactions to Horizon s stockholders, the potential cost of the excise tax and gross up payment is relatively insignificant. The estimated aggregate excise tax and gross up payment to Horizon s six non-employee directors is approximately $254,900 based on the number of options held by each of the non-employees directors as of June 17, 2014 and excludes the automatic grant of stock options for 20,000 shares of Horizon common stock that each eligible non-employee director is entitled to receive in connection with Horizon s 2014 annual meeting. In each case, the estimated value of the payments was calculated based on certain assumptions as set forth in footnote 2 to the Golden Parachute Compensation table and does not include any tax reimbursement related to any stock-based compensation grants that may be made to the covered individuals during the 6-month period following the Merger. Any such grants will be made in the discretion of the New Horizon board of directors as determined to be appropriate in furtherance of a compensation philosophy intended to support New Horizon s business strategy by attracting and retaining highly-talented individuals and motivating them to achieve competitive corporate performance. The value of any such grants (and any related tax reimbursement) is not determinable at this time. However, the Horizon board of directors expects that the New Horizon board of directors will determine that no grants of stock-based compensation will be made to any director of New Horizon who is currently a director of Horizon or to any member of New Horizon s executive management team who is currently an executive officer of Horizon during

the 6-month period following the Merger.

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The following table and the related footnotes present information about the estimated excise tax and gross up payments to the named executive officers of Horizon in connection with the Merger (and such additional individuals identified in the table below), were it to have occurred on June 17, 2014, the latest practicable date prior to the filing of this proxy statement/prospectus. The compensation shown in the table below is subject to a nonbinding advisory vote of the stockholders of Horizon at the Special Meeting, as described in this proxy statement/prospectus under *Stockholder Advisory Vote on Certain Compensatory Arrangements*.

Golden Parachute Compensation

Name[1]	Estimated Excise Tax and Gross Up Payment ($)[2]
Timothy P. Walbert	$ 3,666,273
Robert F. Carey	$ 1,603,307
Robert J. De Vaere	$ 1,272,787
Paul W. Hoelscher	$ 803,589[3]
Jeffrey W. Sherman, M.D., FACP	$ 1,149,917
Todd N. Smith	$ 774,239
Michael Adatto[4]	
	$ 9,270,112

(1) Under applicable SEC rules, Horizon s named executive officers for this purpose include the individuals who served as Horizon s principal executive officer and principal financial officer during 2013 as well as Horizon s three other most highly compensated executive officers during 2013. Horizon s current executive vice president and chief business officer, Robert F. Carey, and current executive vice president, finance, Paul W. Hoelscher, each of whom commenced employment with Horizon after the end of 2013, have been included in this table for informational purposes even though they are not a named executive officer under applicable SEC rules.

(2) Represents the potential aggregate payments in U.S. dollars to be made in respect of certain equity awards, as described in greater detail above in the section entitled *Golden Parachute Compensation*. The amounts in this column are in U.S. dollars and consist of the estimated excise tax and gross up payments to be made to the individuals set forth in this table as a result of the consummation of the proposed transaction. The amount of the payment would be calculated based on the closing price of Horizon s stock as of the consummation of the Merger and each individual s relevant equity awards held as of that date. For purposes of the table above, the estimated excise tax and gross up payment is calculated based on: (a) an assumed price of Horizon s stock of $16.17 (the average closing price per Horizon share over the first five business days following the public announcement of the transactions on March 19, 2014); (b) the assumption that the transactions were consummated on June 17, 2014; (c) the individuals relevant stock-based compensation held as of June 17, 2014; (d) a 15% excise tax rate; and (e) each individual s estimated effective tax rate, including a federal marginal income tax rate of 39.6% and applicable state, local and payroll taxes. The amounts in this column do not include any tax reimbursement related to any stock-based compensation grant that may be made to the covered individuals during the 6-month period following the Merger. The actual amount of the excise tax and gross up payment for each covered individual, if any, will not be determinable until after the consummation of the proposed transaction.

(3) Mr. Hoelscher s estimated excise tax and gross up payment reflected in the table above assumes that, as of June 17, 2014, the Horizon board of directors had granted, and that Mr. Hoelscher holds, the stock option award and restricted stock unit award contemplated by Mr. Hoelscher s employment agreement.

(4) Mr. Adatto terminated his employment effective as of June 17, 2013. Because Mr. Adatto was not an executive officer within six months before closing, his equity awards are not subject to the excise tax and accordingly, he will not receive any excise tax and gross up payment in connection with the Merger.

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Vidara

The following current key employees of Vidara, Vidara U.S. and Vidara Therapeutics Research Limited will continue their employment following the Merger with New Horizon, Vidara U.S. or Vidara Therapeutics Research Limited, as applicable: Brian Andersen, David Kelly, John Devane, Mary Martin, Patrick Ashe and Tim Thrailkill.

These key employees positions with New Horizon, Vidara Therapeutics Research Limited or Vidara U.S., as applicable, will entitle them to possible compensation pursuant to retention bonus agreements, as described below.

Virinder Nohria, M.D., Ph.D., the President and Chief Medical Officer of the Vidara Group, will end his employment with the Vidara Group as of the closing date and will become a consultant pursuant to the terms of an executed consulting agreement with Horizon that will become effective on the closing date, as described below.

None of the employees of Vidara, Vidara U.S. and Vidara Therapeutics Research Limited hold any equity interests in Vidara. However, such employees hold equity interests in Vidara Holdings which owns Vidara, and it is expected that those equity interests will entitle such employees to acquire from Vidara Holdings certain of the New Horizon ordinary shares that will be held by Vidara Holdings and a portion of the cash consideration paid in the transaction.

Description of Key Agreements

Brian Andersen Retention Bonus Agreement. In connection with the Merger, Vidara U.S. and Mr. Andersen have entered into a retention bonus agreement and general release of claims that will become effective on the closing date and that amends all prior employment-related agreements between Mr. Andersen and Vidara U.S. Following the closing date, Mr. Andersen will continue his employment with an Applicable Employer (as defined in the retention bonus agreement) on the terms and conditions set forth in his original employment agreement and as amended in the retention bonus agreement. If Mr. Andersen remains employed by an Applicable Employer through and including the earlier of the one year anniversary of the closing and the date of a change of control of the New Horizon (as defined in the retention bonus agreement) (the Vesting Date), Mr. Andersen will be eligible to receive a one-time retention bonus cash payment in the amount of $702,000. If, prior to the Vesting Date, Mr. Andersen terminates his employment without Good Reason (as defined in the retention bonus agreement), or if an Applicable Employer terminates Mr. Andersen s employment for Cause (as defined in the retention bonus agreement), Mr. Andersen will not be eligible to receive the retention bonus. If, prior to the Vesting Date: (i) Mr. Andersen terminates his employment for Good Reason, (ii) an Applicable Employer terminates his employment without Cause, or (iii) Mr. Andersen s employment is terminated due to death or Disability (as defined in the retention bonus agreement), then Mr. Andersen will be paid the retention bonus on the sixty day anniversary of the termination of his employment, subject to his execution of a general release of claims, which must become effective prior to the sixty day anniversary of the termination of his employment.

David Kelly Retention Bonus Agreement. In connection with the Merger, Vidara Therapeutics Research Limited and Mr. Kelly have entered into a retention bonus agreement and general release of claims that will become effective on the closing date and that amends all prior employment-related agreements between Mr. Kelly and Vidara Therapeutics Research Limited. Following the closing date, Mr. Kelly will continue his employment with an Applicable Employer (as defined in the retention bonus agreement) on the terms and conditions set forth in his original employment agreement and as amended in the retention bonus agreement. If Mr. Kelly remains employed by an Applicable Employer through and including the Vesting Date, Mr. Kelly will be eligible to receive a one-time retention bonus cash payment in the amount of 560,000. If, prior to the Vesting Date, Mr. Kelly terminates his employment without Good Reason (as defined in the retention bonus agreement), or if an Applicable Employer terminates Mr. Kelly s employment for Cause (as defined in the retention bonus

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agreement), Mr. Kelly will not be eligible to receive the retention bonus. If, prior to the Vesting Date: (i) Mr. Kelly terminates his employment for Good Reason, (ii) an Applicable Employer terminates his employment without Cause, or (iii) Mr. Kelly s employment is terminated due to death or Disability (as defined in the retention bonus agreement), then Mr. Kelly will be paid the retention bonus on next payroll processing date following the termination of his employment, subject to his execution of a general release of claims, which must become effective prior to the next payroll processing date following the termination of his employment.

John Devane Retention Bonus Agreement. In connection with the Merger, Vidara Therapeutics Research Limited and Mr. Devane have entered into a retention bonus agreement and general release of claims that will become effective on the closing date and that amends all prior employment-related agreements between Mr. Devane and Vidara Therapeutics Research Limited. Following the closing date, Mr. Devane will continue his employment with an Applicable Employer (as defined in the retention bonus agreement) on the terms and conditions set forth in his original employment agreement and as amended in the retention bonus agreement. If Mr. Devane remains employed by an Applicable Employer through and including the Vesting Date, Mr. Devane will be eligible to receive a one-time retention bonus cash payment in the amount of 225,000. If, prior to the Vesting Date, Mr. Devane terminates his employment without Good Reason (as defined in the retention bonus agreement), or if an Applicable Employer terminates Mr. Devane s employment for Cause (as defined in the retention bonus agreement), Mr. Devane will not be eligible to receive the retention bonus. If, prior to the Vesting Date: (i) Mr. Devane terminates his employment for Good Reason, (ii) an Applicable Employer terminates his employment without Cause, or (iii) Mr. Devane s employment is terminated due to death or Disability (as defined in the retention bonus agreement), then Mr. Devane will be paid the retention bonus on next payroll processing date following the termination of his employment, subject to his execution of a general release of claims, which must become effective prior to the next payroll processing date following the termination of his employment.

Mary Martin Retention Bonus Agreement. In connection with the Merger, Vidara Therapeutics Research Limited and Ms. Martin have entered into a retention bonus agreement and general release of claims that will become effective on the closing date and that amends all prior employment-related agreements between Ms. Martin and Vidara Therapeutics Research Limited. Following the closing date, Ms. Martin will continue her employment with an Applicable Employer (as defined in the retention bonus agreement) on the terms and conditions set forth in her original employment agreement and as amended in the retention bonus agreement. If Ms. Martin remains employed by an Applicable Employer through and including the Vesting Date, Ms. Martin will be eligible to receive a one-time retention bonus cash payment in the amount of 350,625. If, prior to the Vesting Date, Ms. Martin terminates her employment without Good Reason (as defined in the retention bonus agreement), or if an Applicable Employer terminates Ms. Martin s employment for Cause (as defined in the retention bonus agreement), Ms. Martin will not be eligible to receive the retention bonus. If, prior to the Vesting Date: (i) Ms. Martin terminates her employment for Good Reason, (ii) an Applicable Employer terminates her employment without Cause, or (iii) Ms. Martin s employment is terminated due to death or Disability (as defined in the retention bonus agreement), then Ms. Martin will be paid the retention bonus on next payroll processing date following the termination of her employment, subject to her execution of a general release of claims, which must become effective prior to the next payroll processing date following the termination of her employment.

Patrick Ashe Retention Bonus Agreement. In connection with the Merger, Vidara Therapeutics Research Limited and Mr. Ashe have entered into a retention bonus agreement and general release of claims that will become effective on the closing date and that amends all prior employment-related agreements between Mr. Ashe and Vidara Therapeutics Research Limited. Following the closing date, Mr. Ashe will continue his employment with an Applicable Employer (as defined in the retention bonus agreement) on the terms and conditions set forth in his original employment agreement and as amended in the retention bonus agreement. If Mr. Ashe remains employed by an Applicable Employer through and including the Vesting Date, Mr. Ashe will be eligible to receive a one-time retention bonus

cash payment in the amount of 350,625. If, prior to the Vesting Date, Mr. Ashe terminates his employment without Good Reason (as defined in the retention bonus agreement), or if an Applicable Employer terminates Mr. Ashe s employment for Cause (as defined in the retention bonus

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agreement), Mr. Ashe will not be eligible to receive the retention bonus. If, prior to the Vesting Date: (i) Mr. Ashe terminates his employment for Good Reason, (ii) an Applicable Employer terminates his employment without Cause, or (iii) Mr. Ashe s employment is terminated due to death or Disability (as defined in the retention bonus agreement), then Mr. Ashe will be paid the retention bonus on next payroll processing date following the termination of his employment, subject to his execution of a general release of claims, which must become effective prior to the next payroll processing date following the termination of his employment.

Tim Thrailkill Retention Bonus Agreement. In connection with the Merger, Vidara Therapeutics Research Limited and Mr. Thrailkill have entered into a retention bonus agreement and general release of claims that will become effective on the closing date and that amends all prior employment-related agreements between Mr. Thrailkill and Vidara Therapeutics Research Limited. Following the closing date, Mr. Thrailkill will continue his employment with an Applicable Employer (as defined in the retention bonus agreement) on the terms and conditions set forth in his original employment agreement and as amended in the retention bonus agreement. If Mr. Thrailkill remains employed by an Applicable Employer through and including the Vesting Date, Mr. Thrailkill will be eligible to receive a one-time retention bonus cash payment in the amount of 85,930. If, prior to the Vesting Date, Mr. Thrailkill terminates his employment without Good Reason (as defined in the retention bonus agreement), or if an Applicable Employer terminates Mr. Thrailkill s employment for Cause (as defined in the retention bonus agreement), Mr. Thrailkill will not be eligible to receive the retention bonus. If, prior to the Vesting Date: (i) Mr. Thrailkill terminates his employment for Good Reason, (ii) an Applicable Employer terminates his employment without Cause, or (iii) Mr. Thrailkill s employment is terminated due to death or Disability (as defined in the retention bonus agreement), then Mr. Thrailkill will be paid the retention bonus on next payroll processing date following the termination of his employment, subject to his execution of a general release of claims, which must become effective prior to the next payroll processing date following the termination of his employment.

Virinder Nohria, M.D., Ph.D. Amendment to Employment Agreement and Consulting Agreement. In connection with the Merger, Vidara U.S. and Dr. Nohria have entered into an amendment to employment agreement that will become effective on the closing date. Per the amendment to the employment agreement, following the closing date, Dr. Nohria s employment with Vidara U.S. will be terminated, and Dr. Nohria will be eligible to receive a $484,000 lump sum payment contingent on his execution of a general release of claims. Per the consulting agreement, following the closing date, Dr. Nohria will be hired as a consultant by Horizon, and will be paid $10,000 per month of service as a consultant.

Directors

It is expected that the current directors of Vidara, other than Dr. Nohria, will resign following completion of the Merger. Following the completion of the Merger, it is expected that the current directors of Horizon, other than Jeffrey W. Bird, M.D., Ph.D., will become, and Dr. Nohria will remain, directors of New Horizon, and the non-employee directors of New Horizon may be entitled to compensation from New Horizon for such services. However, as of the date of this proxy statement/prospectus, a final determination as to who will be appointed to the New Horizon board of directors has not been made and the requisite corporate action to appoint the persons who will serve as directors of New Horizon following the completion of the Merger has not been effected; accordingly, the persons who will serve as directors of New Horizon following the completion of the Merger may differ from the persons currently expected to serve in such capacity. See *Management and Other Information of New Horizon Directors of New Horizon*.

As described above under the heading *Golden Parachute Compensation*, the Horizon board of directors has approved excise tax and gross up payments to covered individuals, if applicable, which includes the current directors of Horizon.

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Indemnification

The Horizon bylaws require it to indemnify its directors and executive officers to the fullest extent not prohibited by Delaware law or any other applicable law and provide that the extent of such indemnification may be modified by individual contracts with the directors and executive officers. Accordingly, Horizon has entered into indemnity agreements with each of its directors and executive officers that require it to indemnify such persons against any and all expenses (including attorneys fees), judgments, penalties, fines and settlement amounts incurred in connection with any action or proceeding arising out of their services as one of Horizon s directors or executive officers, or any of its subsidiaries or any other company or enterprise to which the person provides services at Horizon s request; provided that Horizon is not obligated to provide indemnification for, among other things, any claim made against an indemnitee (i) for which a final judgment is made that the indemnitee s conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct, or (ii) on account of conduct that is established by a final judgment as constituting a breach of the indemnitee s duty of loyalty to Horizon.

Vidara has entered into indemnity agreements with each of Dr. Nohria, Mr. Kelly and Mr. Ashe (the Vidara Indemnified Persons) pursuant to which Vidara has agreed, to the extent permitted by applicable law, to indemnify each such Vidara Indemnified Person against any and all expenses (including attorneys fees), judgments, penalties, fines and settlement amounts incurred in connection with any action or proceeding arising out of their services as one of Vidara s directors or executive officers, or any of its subsidiaries or any other company or enterprise to which the person provides services at Vidara s request (other than Vidara Holdings); provided that Vidara is not obligated to provide indemnification for, among other things, any claim made against an indemnitee (i) for which a final judgment is made that the indemnitee s conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct, or (ii) on account of conduct that is established by a final judgment as constituting negligence, default, a breach of duty or a breach of trust in relation to Vidara. The terms of the indemnity agreements entered into between Vidara and each of the Vidara Indemnified Persons are based on, and are substantially similar to, the existing indemnity agreements between Horizon and each of its directors and executive officers (the Horizon Indemnification Agreements), but have been revised to comply with applicable Irish law. New Horizon intends to enter into comparable indemnity agreements with Horizon s current directors (other than Jeffrey W. Bird, M.D., Ph.D.) and executive officers at the closing to ensure that such persons benefit from the indemnification protections afforded to corporate directors and officers under applicable Irish law. Due to more restrictive provisions of Irish law in relation to the indemnification of directors and officers, the Vidara Indemnified Persons have also entered into indemnification agreements with Merger Sub that are substantially similar to the Horizon Indemnification Agreements.

For at least six years from and after the closing date, Vidara has agreed to indemnify and hold harmless all past and present officers and directors of Vidara and its affiliates to the same extent such persons are currently indemnified pursuant to organizational documents for acts or omissions occurring on or prior to the closing date.

At or prior to the Merger, Horizon may, at its sole and absolute discretion, purchase a directors and officers liability insurance tail policy with a claims period of six years from the Merger, and on terms and conditions no less favorable to the indemnified persons than those in effect under the existing policy of directors and officers liability insurance maintained by Vidara and its affiliates as of the closing date. If such tail policy is not obtained prior to the Merger, Horizon has agreed that it shall cause to be obtained and maintained in effect, for a period of six years after the closing date, policies of directors and officers liability insurance protecting the indemnified persons with coverage and containing terms and conditions (including with respect to deductible, amount and payment of attorneys fees) that are no less favorable in the aggregate than those of Vidara s policies existing as of the closing; provided, that (i) Horizon may substitute for the existing policy a policy or policies of comparable coverage and (ii) Horizon shall not be required to pay annual premiums for the existing policy (or for any substitute policies) in excess of 300% of the annual premium paid by Vidara or its affiliates for the existing policy. The terms of the indemnity agreements entered

into between Vidara and each of its directors and officers are based on, and are substantially similar to, the existing indemnity agreements between Horizon and each of its

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directors and officers, but have been revised to comply with applicable Irish law. New Horizon intends to enter into comparable indemnity agreements with Horizon s current directors (other than Jeffrey W. Bird, M.D., Ph.D.) and officers at the closing to ensure that such persons benefit from the indemnification protections afforded to corporate directors and officers under applicable Irish law.

Security Ownership of Certain Beneficial Owners and Management

Horizon

The following table sets forth certain information regarding the beneficial ownership of Horizon common stock as of April 30, 2014 (except as noted) by: (i) each of Horizon s current directors; (ii) each of the persons named in the Summary Compensation Table included in this proxy statement/prospectus under the section entitled *Executive Compensation* (such persons are referred to in this proxy statement/prospectus as Horizon s named executive officers); (iii) all current executive officers and directors of Horizon as a group; and (iv) all those known by Horizon to be beneficial owners of more than five percent of its common stock.

	Beneficial Ownership[2]	
Name and Address of Beneficial Owner[1]	**Number of Shares**	**Percent of Total**
5% Stockholders:		
Fidelity and its affiliates 82 Devonshire St. Boston, Massachusetts 02109	6,698,856[3]	8.8%
Essex Woodlands Health Ventures Fund VII, L.P. 335 Bryant St., 3rd Floor Palo Alto, CA 94301	5,815,940[4]	7.9%
Deerfield Management, L.P. 780 Third Avenue, 37th Floor New York, NY 10017	4,638,888[5]	6.3%
Broadfin Capital, LLC 237 Park Avenue, Suite 900 New York, NY 10017	4,257,469[6]	5.8%
Quaker Bioventures Capital II, LLC 2929 Arch St., 3rd Floor, the Cira Centre Philadelphia, PA 19104-2857	4,206,378[7]	5.7%
CD-Venture and its affiliates Bergheimer St. 89/1 69115 Heidelberg, Germany	4,157,575[8]	5.6%

Atlas Venture Fund VI, L.P. and its affiliates		
25 First Street, Suite 303 Cambridge, MA 02141	3,895,404[9]	5.3%
Named Executive Officers and Directors:		
Jeff Himawan, Ph.D.	5,815,940[10]	7.9%
Jeffrey W. Bird, M.D., Ph.D.	3,531,819[11]	4.8%
Michael Grey	34,917[12]	*
Ronald Pauli	34,917[13]	*
Gino Santini	33,162[14]	*
H. Thomas Watkins	6,666[15]	*
Timothy P. Walbert	754,984[16]	1.0%
Robert J. De Vaere	296,644[17]	*
Jeffrey W. Sherman, M.D., FACP	297,746[18]	*
Todd N. Smith	114,656[19]	*
All current directors and executive officers as a group (11 persons)	10,946,451[20]	14.5%

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* Represents beneficial ownership of less than 1%.

(1) Unless otherwise provided in the table above or in the notes below, the address for each of the beneficial owners listed is c/o Horizon Pharma, Inc., 520 Lake Cook Road, Suite 520, Deerfield, IL 60015.

(2) This table is based upon information supplied by officers, directors and principal stockholders and Schedules 13D and 13G filed with the SEC. Unless otherwise indicated in the footnotes to this table and subject to (i) community property laws where applicable and (ii) the voting agreements entered into with Horizon and Vidara Therapeutics by certain of the stockholders with which certain of Horizon s directors are affiliated or associated as described under the section entitled *Other Related Agreements The Voting Agreements*, Horizon believes that each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based on 73,247,110 shares of Horizon common stock outstanding on April 30, 2014, adjusted as required by rules promulgated by the SEC.

The number of shares beneficially owned includes shares of Horizon common stock issuable pursuant to the exercise of stock options and warrants that are exercisable within 60 days of April 30, 2014, as well as restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued.

Shares issuable pursuant to the exercise of stock options and warrants that are exercisable within 60 days of April 30, 2014 and shares issuable upon the fully vested restricted stock units for which the underlying shares have not yet been issued are deemed to be outstanding and beneficially owned by the person to whom such shares are issuable for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

(3) Includes (a) 3,915,400 shares and (b) 2,783,456 shares issuable upon exercise of warrants. This information is based on the Schedule 13G filed with the SEC on January 10, 2014 by FMR LLC, which reflects beneficial ownership as of December 31, 2013. FMR LLC reported that it had beneficial ownership of, and sole dispositive power with respect to, 3,915,400 shares of Horizon common stock, including 2,783,456 shares issuable upon exercise of warrants. The Schedule 13G includes shares beneficially owned by Edward C. Johnson, III and family members, Fidelity Management & Research Company (Fidelity), Fidelity SelectCo, LLC (SelectCo), and Strategic Advisers, Inc. (Strategic Advisers). Fidelity, SelectCo and Strategic Advisers are all wholly-owned subsidiaries of FMR LLC and are beneficial owners as a result of acting as investment advisers to various registered investment companies (the Fidelity funds). Mr. Johnson is Chairman of FMR LLC. The Schedule 13G states that Mr. Johnson and various family members, through their ownership of FMR LLC common stock and the execution of a stockholders voting agreement, may be deemed a controlling group with respect to FMR LLC. The Schedule 13G also states that neither FMR LLC nor Mr. Johnson has the sole power to vote or direct the voting of the shares owned directly by the Fidelity funds, which power resides with the Fidelity funds boards of trustees pursuant to established guidelines.

(4) Includes (a) 5,064,731 shares and (b) 751,209 shares issuable upon exercise of warrants. James L. Currie, Jeff Himawan, Martin Sutter, Immanuel Thangaraj and Petri Vainio share voting and investment power over the shares held by Essex Woodlands Health Ventures Fund VII, L.P. and each disclaim beneficial ownership of such shares except to the extent of any pecuniary interest therein.

(5) Includes (a) 4,488,888 shares and (b) 150,000 shares issuable upon exercise of warrants. This information is based on the Schedule 13G filed with the SEC on February 14, 2014. The shares are beneficially owned by Deerfield Partners, L.P., Deerfield International Master Fund, L.P., Deerfield Special Situations Fund, L.P. and Deerfield Special Situations International Master Fund, L.P., of which Deerfield Management, L.P. is the general partner.

(6) Includes 4,257,469 shares beneficially owned by Broadfin Capital, LLC, Broadfin Healthcare Master Fund, Limited and Kevin Kotler. This information is based on the Schedule 13G filed on February 14, 2014 with the SEC.

(7) Includes (a) 3,516,009 shares and (b) 690,369 shares issuable upon exercise of warrants. This information is based on the Schedule 13G filed with the SEC on February 14, 2013. Quaker BioVentures Capital II, L.P., the general partner of Quaker BioVentures II, L.P., and Quaker BioVentures Capital II, LLC, the general partner of Quaker BioVentures Capital II, L.P., may be deemed to share voting and investment power with respect to such shares with Quaker BioVentures II, L.P.

(8) Includes (a) 3,595,714 shares and (b) 561,861 shares issuable upon exercise of warrants. This information is based on the Schedule 13G filed with the SEC on February 14, 2014 by Christoph F. Boehringer and CD-Venture GmbH. Mr. Boehringer is the beneficial owner of 4,157,575 shares of Horizon common stock, including 2,357,575 shares of Horizon common stock beneficially owned by CD-Venture.

(9) Includes (a) 3,516,377 shares held by Atlas Venture Fund VI, L.P. (Atlas VI), (b) 64,385 shares held by Atlas Venture Fund VI GmbH & Co. KG (Atlas GmbH), (c) 107,532 shares held by Atlas Venture Entrepreneurs Fund VI, L.P. (Atlas EVC), and (d) 197,456, 3,616, and 6,038 shares issuable upon exercise of warrants held by Atlas VI, Atlas GmbH and Atlas EVC, respectively. These shares are held directly by Atlas VI, Atlas EVC and Atlas GmbH. Atlas Venture Associates VI, L.P. (AVA VI L.P.) is the sole general partner of Atlas VI and Atlas EVC and the managing limited partner of Atlas GmbH. Atlas Venture Associates VI, Inc. (AVA VI Inc.) is the sole general partner of AVA VI L.P. Jean-Francois Formela, M.D., Jeffrey Fagnan and Kristen Laguerre are each directors of AVA VI Inc. As a result, each of Dr. Formela, Mr. Fagnan and Ms. Laguerre may be deemed to have beneficial ownership with respect to all shares held by AVA VI Inc. Each of the foregoing disclaims beneficial ownership of these shares except to the extent of their pecuniary interest therein. Dr. Formela served on the Horizon board of directors until April 2014.

(10) Includes the shares referred to in footnote (4) above. Dr. Himawan disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein.

(11) Includes (a) 178,406 shares held by the Jeffrey W. Bird and Christina R. Bird Trust dated October 31, 2000 (the Bird Trust), of which Dr. Bird is a trustee, (b) 21,685 shares issuable upon exercise of warrants held by the Bird Trust, (c) 2,837,826 shares held by Sutter Hill Ventures, a California Limited Partnership (SHV), (d) 458,902 shares issuable upon exercise of warrants held by SHV, (e) 5,000 shares held by Dr. Bird in a Roth IRA account, (f) l,250 shares issuable upon the exercise of warrants held by Dr. Bird in a Roth IRA

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account, (g) 7,000 shares held by NestEgg Holdings, a Limited Partnership, (h) 1,750 shares issuable upon exercise of warrants held by NestEgg Holdings and (i) 20,000 shares that Dr. Bird has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options. Dr. Bird disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein.

(12) Includes 34,917 shares that Mr. Grey has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(13) Includes 34,917 shares that Mr. Pauli has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(14) Includes 33,162 shares that Mr. Santini has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(15) Includes 6,666 shares that Mr. Watkins has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(16) Includes (a) 105,207 shares, (b) 75,465 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued and (c) 574,312 shares that Mr. Walbert has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(17) Includes (a) 68,604 shares, (b) 32,890 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued and (c) 195,150 shares that Mr. De Vaere has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(18) Includes (a) 73,309 shares, (b) 29,287 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued and (c) 195,150 shares that Dr. Sherman has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(19) Includes (a) 22,924 shares, (b) 31,787 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued and (c) 59,945 shares that Mr. Smith has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(20) Includes the following held by Horizon executive officers (which includes Robert F. Carey) and directors, in the aggregate: (a) 8,363,007 shares, (b) 169,429 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued, (c) 1,179,219 shares that can be acquired within 60 days of April 30, 2014 pursuant to the exercise of stock options and (d) 1,234,796 shares issuable upon the exercise of warrants.

Vidara

Vidara is wholly owned by Vidara Holdings which, following completion of the reorganization, but prior to the consummation of the Merger, will hold 31,350,000 ordinary shares of Vidara. Vidara Holdings principal office is located at c/o DFW Capital Partners, 300 Frank W. Burr Blvd., Suite 5, Teaneck, NJ 07666.

Principal Shareholders Following the Merger

The following table sets forth certain information, as of April 30, 2014 (except as noted), regarding the expected beneficial ownership of New Horizon ordinary shares, after giving effect to the proposed Merger by: (i) each of the individuals who is expected to be a director of New Horizon following the completion of the Merger; (ii) each of the individuals who is expected to be an executive officer of New Horizon following the completion of the Merger (which is currently expected to be the current executive officers of Horizon); (iii) all individuals expected to be directors and executive officers of New Horizon as a group following the completion of the Merger; and (iv) each person that, based on current ownership of Horizon common stock or ordinary shares of Vidara or otherwise, is expected to be a

beneficial owner of more than five percent of New Horizon ordinary shares. The percentage of shares beneficially owned in the following table is based on 104,597,110 New Horizon ordinary shares estimated to be outstanding immediately following the Merger. The number of New Horizon ordinary shares estimated to be outstanding immediately following the Merger is calculated based on the number of shares of Horizon common stock outstanding on April 30, 2014.

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Name and Address of Beneficial Owner[1]	Beneficial Ownership[2] Number of Shares of Horizon Common Stock[3] (a)	Number of Vidara Ordinary Shares (b)	Number of New Horizon Ordinary Shares After the Merger	Percent of Total After the Merger[4]
5% Stockholders:				
Vidara Therapeutics Holdings LLC[5] c/o DFW Capital Partners 300 Frank W. Burr Blvd., Suite 5 Teaneck, NJ 07666		31,350,000[6]	31,350,000[6]	30.0%
Fidelity and its affiliates 82 Devonshire St. Boston, MA 02109	6,698,856[7]		6,698,856	6.4%
Essex Woodlands Health Ventures Fund VII, L.P. 335 Bryant St., 3rd Floor Palo Alto, CA 94301	5,815,940[8]		5,815,940	5.6%
Executive Officers and Directors:				
Jeff Himawan, Ph.D.	5,815,940[9]		5,815,940	5.6%
Michael Grey	34,917[10]		34,917	*
Ronald Pauli	34,917[11]		34,917	*
Gino Santini	33,162[12]		33,162	*
H. Thomas Watkins	6,666[13]		6,666	*
Virinder Nohria, M.D., Ph.D.		[14]	[14]	*
Timothy P. Walbert	754,984[15]		754,984	*
Robert F. Carey	25,000[16]		25,000	*
Robert J. De Vaere	296,644[17]		296,644	*
Jeffrey W. Sherman, M.D., FACP	297,746[18]		297,746	*
Todd N. Smith	114,656[19]		114,656	*
All expected directors and executive officers of New Horizon as a group (11 persons)	7,414,632[20]	[14]	7,414,632[20]	7.1%

* Represents beneficial ownership of less than 1%.

(1) Unless otherwise provided in the table above or in the notes below, the address for each of the beneficial owners listed is c/o Horizon Pharma, Inc., 520 Lake Cook Road, Suite 520, Deerfield, IL 60015.

(2) This table is based upon information supplied by officers, directors and principal stockholders and Schedules 13D and 13G filed with the SEC. Unless otherwise indicated in the footnotes to this table and subject to (i) community property laws where applicable and (ii) the voting agreements entered into with Horizon and Vidara by certain of the stockholders with which certain of Horizon s directors are affiliated or associated as described under the section

entitled *Other Related Agreements The Voting Agreements*, Horizon and Vidara believe that each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Columns (a) and (b) are included in this table for comparative purposes.

(3) The number of shares of Horizon common stock beneficially owned includes shares of Horizon common stock issuable pursuant to the exercise of stock options and warrants that are exercisable within 60 days of April 30, 2014, as well as restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares have not yet been issued.

(4) The percentage of shares beneficially owned is based on 104,597,110 New Horizon ordinary shares estimated to be outstanding immediately following the Merger, calculated as described above, and is determined in accordance with SEC rules.

(5) The managers of Vidara Holdings are Mr. Balaji Venkataraman (Executive Chairman of the Vidara Group), Virinder Nohria (President and Chief Medical Officer of the Vidara Group), Keith Pennell (Managing Partner at DFW Capital Partners) and Donald DeMuth (Partner at DFW Capital Partners), each of whom disclaims beneficial ownership of the shares except to the extent of any pecuniary interest therein. Through trusts and other entities, Mr. Venkataraman controls 57.6% of the outstanding, voting membership interests of Vidara Holdings and 51.5% of the economic interests of Vidara Holdings. If Vidara Holdings distributes all of the ordinary shares of New Horizon pro rata to its members, Mr. Venkataraman will indirectly beneficially own 16,148,333 ordinary shares of New Horizon (or 15.4% of the total ordinary shares of New Horizon outstanding immediately after the Merger).

DFW Capital Partners III, L.P. (DFW III), a Delaware limited partnership, and DFW-Vidara, LLC (DFW-Vidara), a Delaware limited liability company, each an affiliate of DFW Capital Partners, are the record holders of an aggregate of approximately 25.4% of

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the outstanding, voting membership interests of Vidara Holdings and 14.3% of the economic interests of Vidara Holdings. In addition, by proxy, DFW III and DFW-Vidara have voting control over an additional 2.7% voting membership interests of Vidara Holdings held by Weichert Enterprises, LLC, which is a limited partner of DFW III and a member of Jersey Ventures (defined below). The principal business of DFW III is that of a private investment partnership. The general partner of DFW III is DFW III, LLC (DFW III GP), a Delaware limited liability company. The principal business of DFW III GP is that of acting as the general partner of DFW III. The principal business of DFW-Vidara is that of a private investment company. The managing member of DFW-Vidara is Jersey Ventures, LLC (Jersey Ventures), a Delaware limited liability company. The principal business of Jersey Ventures is serving as the managing member of DFW-Vidara and one or more other entities affiliated with DFW Capital Partners. The principal office of DFW III, DFW-Vidara, DFW III GP, Jersey Ventures and DFW Capital Partners is 300 Frank W. Burr Boulevard, Glenpointe Centre East, Suite 5, Teaneck, New Jersey 07666. The managers of DFW III GP, Jersey Ventures and DFW Capital Partners are Donald F. DeMuth, Keith W. Pennell and Brett L. Prager, each of whom is a citizen of the United States and each of whom disclaims beneficial ownership of the shares except to the extent of any pecuniary interest therein. If Vidara Holdings distributes all of the ordinary shares of New Horizon pro rata to its members, DFW III and DFW Vidara together will directly beneficially own, and DFW Capital Partners indirectly will beneficially own, 4,469,019 ordinary shares of New Horizon (or 4.3% of the total ordinary shares of New Horizon outstanding immediately after the Merger).

(6) Consists of 31,350,000 ordinary shares of New Horizon that will be held by Vidara Holdings following completion of the reorganization, but prior to the consummation of the Merger.

(7) Includes (a) 3,915,400 shares of Horizon common stock and (b) 2,783,456 shares of Horizon common stock issuable upon exercise of warrants. This information is based on the Schedule 13G filed with the SEC on January 10, 2014 by FMR LLC, which reflects beneficial ownership as of December 31, 2013. FMR LLC reported that it had beneficial ownership of, and sole dispositive power with respect to, 3,915,400 shares of Horizon common stock, including 2,783,456 shares of Horizon common stock issuable upon exercise of warrants. The Schedule 13G includes shares beneficially owned by Edward C. Johnson, III and family members, Fidelity, SelectCo, and Strategic Advisers. Fidelity, SelectCo and Strategic Advisers are all wholly-owned subsidiaries of FMR LLC and are beneficial owners as a result of acting as investment advisers to various Fidelity funds. Mr. Johnson is Chairman of FMR LLC. The Schedule 13G states that Mr. Johnson and various family members, through their ownership of FMR LLC common stock and the execution of a stockholders voting agreement, may be deemed a controlling group with respect to FMR LLC. The Schedule 13G also states that neither FMR LLC nor Mr. Johnson has the sole power to vote or direct the voting of the shares owned directly by the Fidelity funds, which power resides with the Fidelity funds boards of trustees pursuant to established guidelines.

(8) Includes (a) 5,064,731 shares of Horizon common stock and (b) 751,209 shares of Horizon common stock issuable upon exercise of warrants. James L. Currie, Jeff Himawan, Martin Sutter, Immanuel Thangaraj and Petri Vainio share voting and investment power over the shares held by Essex Woodlands Health Ventures Fund VII, L.P. and each disclaim beneficial ownership of such shares except to the extent of any pecuniary interest therein.

(9) Includes the shares of Horizon common stock referred to in footnote (8) above. Dr. Himawan disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein.

(10) Includes 34,917 shares of Horizon common stock that Mr. Grey has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(11) Includes 34,917 shares of Horizon common stock that Mr. Pauli has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(12) Includes 33,162 shares of Horizon common stock that Mr. Santini has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(13) Includes 6,666 shares that Mr. Watkins has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(14)

Excludes 31,350,000 ordinary shares of New Horizon held by Vidara Holdings of which Dr. Nohria is a manager as described in note 5 above. Dr. Nohria disclaims beneficial ownership of the shares held by Vidara Holdings except to the extent of any pecuniary interest therein. If Vidara Holdings distributes all of the ordinary shares of New Horizon pro rata to its members, Dr. Nohria will beneficially own 2,156,351 ordinary shares of New Horizon (or 2.1% of the total ordinary shares of New Horizon outstanding immediately after the Merger).

(15) Includes (a) 105,207 shares of Horizon common stock, (b) 75,465 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares of Horizon common stock have not yet been issued and (c) 574,312 shares of Horizon common stock that Mr. Walbert has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(16) Includes 25,000 shares of Horizon common stock that Mr. Carey has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(17) Includes (a) 68,604 shares of Horizon common stock, (b) 32,890 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares of Horizon common stock have not yet been issued and (c) 195,150 shares of Horizon common stock that Mr. De Vaere has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(18) Includes (a) 73,309 shares of Horizon common stock, (b) 29,287 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares of Horizon common stock have not yet been issued and (c) 195,150 shares of Horizon common stock that Dr. Sherman has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

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(19) Includes (a) 22,924 shares of Horizon common stock, (b) 31,787 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares of Horizon common stock have not yet been issued and (c) 59,945 shares of Horizon common stock that Mr. Smith has the right to acquire from Horizon within 60 days of April 30, 2014 pursuant to the exercise of stock options.

(20) Includes the following held by expected executive officers and directors of New Horizon, in the aggregate: (a) 5,334,775 shares of Horizon common stock, (b) 169,429 restricted stock units that are fully vested but are subject to a delayed issuance stock award such that the underlying shares of Horizon common stock have not yet been issued, (c) 1,159,219 shares of Horizon common stock that can be acquired within 60 days of April 30, 2014 pursuant to the exercise of stock options and (d) 751,209 shares of Horizon common stock issuable upon the exercise of warrants. , but excluding the 2,156,351 ordinary shares of New Horizon that Dr. Nohria would be expected to own if Vidara Holdings distributes all of its ordinary shares of New Horizon pro rata to its members. In the event of such a distribution, the expected directors and executive officers of New Horizon as a group will beneficially own 9,570,983 ordinary shares of New Horizon (or 9.2% of the total ordinary shares of New Horizon outstanding immediately after the Merger).

Regulatory Approvals Required

Under the HSR Act, and the rules and regulations promulgated thereunder by the FTC, the Merger cannot be consummated until notifications have been submitted and certain information has been furnished to the Antitrust Division and the FTC, and specified waiting period requirements have been satisfied. The Merger described in this proxy statement/prospectus is subject to the filing and waiting period requirements of the HSR Act.

Horizon and Mr. Balaji Venkataraman each filed a Pre-Merger Notification and Report Form pursuant to the HSR Act with the Antitrust Division and the FTC on April 1, 2014. However, early termination of the waiting period under the HSR Act was granted effective April 11, 2014.

The Antitrust Division and the FTC frequently scrutinize the legality under the antitrust laws of transactions such as the Merger. At any time before the Merger, the Antitrust Division or the FTC could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin New Horizon s acquisition of shares of Horizon common stock, or seeking the divestiture of shares of Horizon common stock acquired by New Horizon, or the divestiture of substantial assets of Horizon, Vidara or their respective subsidiaries.

Private parties, as well as state and foreign governments, may also bring legal action under the antitrust laws under certain circumstances. Horizon and Vidara believe that the completion of the Merger will not violate any antitrust laws. However, there can be no assurance that a challenge to the Merger or other related transactions on antitrust grounds will not be made or, if such a challenge is made, of the result, including any delay or bar to the completion of the Merger.

The antitrust and competition laws of certain foreign countries often apply to transactions such as the Merger and notifications may be required when such laws are applicable. Horizon and Vidara do not believe that any such foreign filings are required in connection with the Merger.

Accounting Treatment of the Merger

The Merger will be accounted for using the acquisition method of accounting, with Horizon being treated as the accounting acquirer under U.S. GAAP. Under the acquisition method of accounting, assets and liabilities of Vidara will be, as of completion of the Merger, recorded at their respective fair values and added to those of Horizon, including potentially an amount for goodwill representing the difference between the acquisition consideration and the fair value of the identifiable net assets. Financial statements of New Horizon issued after the completion of the Merger

will include the operations of Vidara beginning with the closing date, but will not be restated retroactively to include the historical financial position or results of operations of Vidara for the periods prior to the closing. Financial information presented for periods prior to the completion of the Merger will include the historical audited financial statements of Horizon.

Following the completion of the Merger, the earnings of New Horizon will reflect acquisition accounting adjustments, for example, amortization of identified intangible assets. Goodwill and acquired in-process research and development assets resulting from the Merger will not be amortized but instead will be tested for impairment

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at least annually (more frequently if certain indicators are present). The final determination of acquisition consideration will be determined at the closing and after completion of an analysis to determine the fair values of Vidara assets and liabilities. Accordingly, the final Merger consideration may be materially different from the amounts reflected in the unaudited pro forma condensed combined financial statements contained in this proxy statement/prospectus.

Restrictions on Resales

All New Horizon ordinary shares received by Horizon stockholders in the merger will be freely tradable, except that New Horizon ordinary shares received in the merger by persons who become affiliates of New Horizon for purposes of Rule 144 under the Securities Act may be resold by them only in transactions permitted by Rule 144, or as otherwise permitted under the Securities Act. Persons who may be deemed affiliates of New Horizon generally include individuals or entities that control, are controlled by or are under common control with, New Horizon and may include the executive officers and directors of New Horizon as well as its principal stockholders.

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CERTAIN TAX CONSEQUENCES OF THE MERGER

This section contains a general discussion of the material tax consequences of (i) the Merger, (ii) post-Merger ownership and disposition of New Horizon ordinary shares and (iii) post-Merger operations of New Horizon.

The discussion under the caption U.S. Federal Income Tax Considerations addresses (i) application of Section 7874 of the Code, which is referred to in this proxy statement/prospectus as Section 7874, to Horizon and New Horizon, (ii) the material U.S. federal income tax consequences of the Merger to Horizon and New Horizon, and (iii) the material U.S. federal income tax consequences to U.S. holders (as defined below) of (a) exchanging shares of Horizon common stock for New Horizon ordinary shares in the Merger, (b) holding 5.00% Convertible Senior Notes due 2018 (the Convertible Notes) at the time of the Merger and (c) owning and disposing of New Horizon ordinary shares and Convertible Notes.

The discussion of the Merger and of ownership and disposition of shares received in the Merger under Irish Tax Considerations addresses certain Irish tax considerations of the Merger and subsequent operations for Horizon and New Horizon.

The discussion below is not a substitute for an individual analysis of the tax consequences of the Merger, post-Merger ownership and disposition of New Horizon ordinary shares or Convertible Notes or post-Merger operations of New Horizon. You should consult your own tax adviser regarding the particular U.S. (federal, state and local), Irish and other non-U.S. tax consequences of these matters in light of your particular situation.

U.S. Federal Income Tax Considerations

Scope of Discussion

The following is a summary of the material U.S. federal income tax consequences of the Merger generally expected to be applicable to U.S. holders (as defined below) of Horizon common stock, U.S. holders of New Horizon ordinary shares and to U.S. holders of Convertible Notes. The summary is based upon the existing provisions of the Code, applicable U.S. Treasury Regulations, which are referred to in this proxy statement/prospectus as the Treasury Regulations, judicial authority, administrative rulings effective as of the date hereof, and the income tax treaty between Ireland and the United States, which is referred to in this proxy statement/prospectus as the tax treaty. These laws and authorities are subject to change, possibly with retroactive effect. See for example *Risks Related to the Businesses of New Horizon Future changes to U.S. and non-U.S. tax laws could materially adversely affect New Horizon* for one such proposed change that could have a material adverse affect on New Horizon. Any such change, which may or may not be retroactive, could alter the tax consequences to the holders of Horizon common stock, New Horizon ordinary shares and Convertible Notes as described herein. The discussion below does not address any state, local or foreign or any U.S. federal tax consequences other than U.S. federal income tax consequences (such as estate and gift tax consequences) that are applicable to U.S. holders. The tax treatment of the Merger to the holders will vary depending upon their particular situations.

The summary below is limited to U.S. holders who hold shares of Horizon common stock, New Horizon ordinary shares and Convertible Notes as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). It is intended only as a summary of the material U.S. federal income tax consequences of the Merger and does not purport to be a complete analysis or listing of all of the potential tax effects relevant to a decision on whether to approve the Merger. In particular, this discussion does not deal with all U.S. federal income tax considerations that may be relevant to particular holders in light of their particular circumstances, such as holders who are dealers in securities, who are subject to the alternative minimum tax provisions of the Code, who are non-U.S.

persons or entities, who are grantor trusts, banks, financial institutions, insurance companies, regulated investment companies, real estate investment trusts, or tax-exempt entities, holders who hold their Horizon common stock, New Horizon ordinary shares or Convertible Notes through a partnership or other fiscally transparent person, holders who acquired their Horizon common stock or New Horizon ordinary shares in connection with stock option or stock purchase plans or in other compensatory

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transactions, holders who hold Horizon common stock, New Horizon ordinary shares or Convertible Notes as part of an integrated investment (including a straddle) comprised of Horizon common stock, New Horizon ordinary shares or Convertible Notes, as the case may be, and one or more other positions, holders who hold Horizon common stock, New Horizon ordinary shares or Convertible Notes subject to the constructive sale provisions of Section 1259 of the Code, holders who are certain former citizens or residents of the United States, holders who have a functional currency other than the dollar, holders that own (or are deemed to own, indirectly or by attribution) 10% or more of the New Horizon ordinary shares, or holders who generally mark their securities to market for U.S. federal income tax purposes.

If a partnership holds Horizon common stock, New Horizon ordinary shares or Convertible Notes, the tax treatment of a partner generally will depend on the status of the partner and on the activities of the partnership. Partners or partnerships holding Horizon common stock, New Horizon ordinary shares or Convertible Notes should consult their tax advisers.

For purposes of this discussion, a U.S. holder is a beneficial owner of Horizon common stock, New Horizon ordinary shares or Convertible Notes that is, for U.S. federal income tax purposes, (i) a citizen or resident of the United States, (ii) a U.S. domestic corporation or an entity taxable as a U.S. domestic corporation, (iii) an estate whose income is subject to U.S. federal income tax regardless of its source, or (iv) a trust if a U.S. court can exercise primary supervision over the trust s administration and one or more U.S. persons are authorized to control all substantial decisions of the trust, or the trust has made a valid election to be treated as a U.S. person under applicable Treasury Regulations.

Horizon has not requested, and does not intend to request, a ruling from the U.S. Internal Revenue Service, which is referred to in this proxy statement/prospectus as the IRS, and it is possible that the IRS may take different positions concerning the tax consequences of the Merger than those stated below and such positions could be sustained.

Tax Consequences of the Merger to Horizon and New Horizon

U.S. Federal Tax Classification of New Horizon as a Result of the Merger

For U.S. federal tax purposes, a corporation generally is considered a tax resident in the place of its organization or incorporation. Because Vidara is, and New Horizon will continue to be incorporated outside of the United States after the Merger, it would be classified as a foreign corporation (and, therefore, a non-U.S. tax resident) under these general rules. Section 7874, however, contains rules (more fully discussed below) that can result in a foreign corporation being treated as a domestic corporation (i.e., a corporation organized or incorporated in the United States), and thereby a U.S. tax resident that is subject to U.S. federal income tax on its world-wide income. The application of these rules is complex, and there is little or no guidance on many important aspects of Section 7874.

Under Section 7874, a foreign corporation will be treated as a domestic corporation for U.S. federal tax purposes when (1) the foreign corporation directly or indirectly acquires substantially all of the assets held directly or indirectly by a domestic corporation (including the indirect acquisition of assets by acquiring all the outstanding shares of the domestic corporation), (2) the former shareholders of the domestic corporation are treated as holding at least 80% (by either vote or value) of the shares of the foreign corporation after the acquisition by reason of holding shares in, or certain rights to acquire shares of, the domestic corporation (including the receipt of the foreign corporation s shares in exchange for the domestic corporation s shares), and (3) the foreign corporation s expanded affiliated group does not have substantial business activities in the foreign corporation s country of organization or incorporation relative to the expanded affiliated group s worldwide activities. Solely for purposes of Section 7874, the term expanded affiliated group or EAG means the foreign corporation and all subsidiaries in which the foreign corporation, directly or

indirectly, owns more than 50% of the shares by vote and value.

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Pursuant to the Merger Agreement, New Horizon will indirectly acquire all of Horizon s assets through the acquisition of the shares of Horizon common stock in the Merger at the closing. As a result, for New Horizon to avoid being treated as a domestic corporation under Section 7874, either (1) the former stockholders of Horizon must own (within the meaning of Section 7874) less than 80% (by both vote and value) of New Horizon s ordinary shares by reason of holding shares in Horizon, which is referred to in this proxy statement/prospectus as the ownership test, or (2) the New Horizon EAG must have substantial business activities in Ireland (within the meaning of the Treasury Regulations under Section 7874) after the Merger.

The New Horizon EAG will not have substantial business activities in Ireland after the Merger. Based on the rules for determining share ownership under Section 7874 however, the Horizon stockholders are expected to receive less than 80% (by both vote and value) of the shares in New Horizon by reason of their ownership of shares of Horizon common stock. As a result, New Horizon should be treated as a foreign corporation for U.S. federal tax purposes under Section 7874. We cannot assure you that the IRS will agree with the position that the ownership test is satisfied, however.

Potential Limitation on the Utilization of Horizon s (and its Domestic Affiliates) Tax Attributes

Following the acquisition of a domestic corporation by a foreign corporation, Section 7874 can also limit the ability of the domestic corporation and its domestic affiliates to utilize their tax attributes (including net operating losses and certain tax credits) to offset taxable income resulting from certain transactions. Specifically, if (1) substantially all the assets of a domestic corporation are directly or indirectly acquired by a foreign corporation, (2) the shareholders of the domestic corporation hold at least 60% but less than 80%, by either vote or value, of the shares of the foreign corporation by reason of holding shares in the domestic corporation, and (3) the EAG of the foreign corporation does not have substantial business activities in the country where it is organized, the taxable income of the domestic corporation and its domestic affiliates for any given year, within a ten-year period beginning on the last date the domestic corporation s properties were acquired, will be no less than the domestic corporation s or its affiliate s inversion gain for that taxable year. The term inversion gain means income or gain from the transfer of shares or other property (other than property held for sale to customers) and income from the license of any property that is either transferred or licensed as part of the acquisition, or, if after the acquisition, is transferred or licensed to a foreign related person.

Pursuant to the Merger Agreement, New Horizon will indirectly acquire all of Horizon s assets at the effective time. The Horizon stockholders are expected to receive approximately 74% of the vote and less than 80% of the value of the New Horizon ordinary shares by reason of holding shares of Horizon common stock. Therefore, Horizon s ability to utilize its tax attributes to offset inversion gains, if any, will be limited if the New Horizon EAG does not satisfy the substantial business activities test. As noted above, the New Horizon EAG will not satisfy this test and thus the above limitations will apply following the Merger. As a result, Horizon currently does not expect that it or its domestic affiliates will be able to utilize their tax attributes to offset any inversion gains they may recognize within the ten year period following the Merger. Notwithstanding this limitation, Horizon expects that it and its domestic affiliate will be able to fully utilize their net operating losses prior to their expiration. However, if Horizon does not generate taxable income consistent with its expectations, it is possible that the limitation under Section 7874 on the utilization of tax attributes could prevent Horizon and its domestic affiliates from fully utilizing their tax attributes prior to their expiration.

U.S. Federal Income Tax Treatment of the Merger

Neither Horizon nor New Horizon will be subject to U.S. federal income tax as a result of the Merger.

Tax Consequences of the Merger to U.S. Holders

Material Tax Consequences of the Merger to U.S. Holders of Horizon Common Stock

The Merger should be treated as a taxable exchange of shares of Horizon common stock for New Horizon ordinary shares. U.S. holders of Horizon common stock should recognize gain or loss on the exchange equal to

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the difference between the fair market value of the New Horizon ordinary shares received in the Merger and the U.S. holder s adjusted tax basis in the Horizon common stock surrendered in the Merger. Any such gain or loss should be capital gain or loss. Net capital gain (i.e., generally, capital gains in excess of capital losses) recognized by non-corporate U.S. holders who held their Horizon common stock for more than one year at the time of the Merger would be taxed currently at a maximum capital gain tax rate of 20%. Net capital gain recognized by non-corporate U.S. holders who held their Horizon common stock for one year or less at such time would be subject to tax at ordinary income tax rates. Capital gains recognized by a corporate U.S. holder would be subject to tax at the ordinary income tax rates applicable to corporations. The use of a capital loss to offset other income is subject to limitation.

A U.S. holder that recognizes gain or loss pursuant to the Merger will have an adjusted tax basis in the New Horizon ordinary shares received equal to the fair market value of the New Horizon ordinary shares at the time the Merger is consummated. The holding period for New Horizon ordinary shares received by a U.S. holder will commence on the day after the Merger is consummated.

Material Tax Consequences of the Merger to U.S. Holders of Convertible Notes

A U.S. holder of Convertible Notes will continue to hold the Convertible Notes after the Merger. Each Convertible Note is currently convertible into 186.428 shares of Horizon common stock for each $1,000 of principal. Pursuant to the indenture governing the Convertible Notes, New Horizon must enter into a supplemental indenture pursuant to which the Convertible Note holders will have the right to convert their Convertible Notes for an equal number of New Horizon ordinary shares.

Under the Treasury Regulations governing the modification of debt instruments, a significant modification of a debt instrument results in a deemed exchange of the original debt instrument for a new debt instrument and generally, the recognition of gain or loss thereon. A modification of a debt instrument is significant if, based on all the facts and circumstances, the legal rights and obligations of the holder and issuer that are altered are economically significant. An alteration of a legal right or obligation that occurs by operation of the terms of a debt instrument however, is not a modification unless, among other things, the alteration results in an instrument or property right that is not debt for U.S. federal income tax purposes.

We do not believe that the substitution of New Horizon ordinary shares for shares of Horizon common stock pursuant to the indenture should result in the Convertible Notes being classified as an instrument or property right that is not debt for U.S. federal income tax purposes. Accordingly, the substitution should not be a modification that could, if determined to be a substantial, result in a deemed exchange of the Convertible Notes.

Horizon has not requested, and does not intend to request, a ruling from the IRS concerning the tax consequences of the Merger on U.S. holders of the Convertible Notes. The rules governing the modification of debt instruments and whether a modification is a substantial modification that results in the deemed exchange of a debt instrument are complex. It is possible that the IRS may take a different position concerning the tax consequences of the Merger on U.S. holders of the Convertible Notes and that such position could be sustained. Each U.S. holder of a Convertible Note should consult his, her or its tax adviser as to the particular tax consequences that may result from holding a Convertible Note at the time of the Merger.

Tax Consequences to U.S. Holders of Holding New Horizon Ordinary Shares or Convertible Notes

Material Tax Consequences of Holding New Horizon Ordinary Shares

There are no current plans for New Horizon to make distributions with respect to its ordinary shares. In the event however, that New Horizon makes such a distribution, then subject to the discussion below under Passive Foreign Investment Company Provisions, the amount of the distribution paid by New Horizon to a U.S. holder out of its current or accumulated earnings and profits (including any related applicable dividend withholding tax, which is referred to in this proxy statement/prospectus as DWT) as determined for U.S.

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federal income tax purposes will be a dividend subject to U.S. federal income taxation. Dividends paid to a non-corporate U.S. holder from a qualified foreign corporation qualify for a 20% maximum tax rate as long as certain holding period and other requirements are met. As long as the New Horizon ordinary shares are listed on NASDAQ (or certain other stock exchanges) or New Horizon qualifies for benefits under the tax treaty, and New Horizon is not a passive foreign investment company for the taxable year in which the distribution is made or the preceding taxable year, New Horizon will be a qualified foreign corporation for this purpose. Any dividend paid to a U.S. holder that is a corporation will not be eligible for the dividends received deduction generally allowed to corporations.

Distributions in excess of New Horizon s current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. holder s tax basis in its New Horizon ordinary shares, and any remaining excess will constitute gain from the sale or exchange of such shares. In the case of a non-corporate U.S. holder, the maximum U.S. federal income tax rate applicable to such gain is 20% under current law if the holder s holding period for such New Horizon ordinary shares exceeds 12 months at the time of the distribution.

Subject to certain limitations, Irish DWT withheld from distributions may be claimed as a credit against the U.S. holder s U.S. federal income tax liability or, alternatively, may be claimed as a deduction in the U.S. holder s federal income tax return.

Special rules apply in determining the foreign tax credit limitation with respect to dividends that are subject to the maximum 20% federal tax rate. Dividends paid by New Horizon with respect to New Horizon ordinary shares generally will be income from sources outside the United States and will, depending on a U.S. holder s circumstances, generally be passive income for purposes of computing any foreign tax credit available to the holder. To the extent a refund of the tax withheld is available to a U.S. holder under Irish law or the tax treaty, the amount of tax withheld that is refundable will not be eligible for credit against a U.S. holder s U.S. federal income tax liability. U.S. holders should consult their own tax advisers concerning the implications of the U.S. foreign tax credit rules in light of their particular circumstances.

Material Tax Consequences of Holding Convertible Notes

Interest received by a U.S. holder on a Convertible Note will generally be taxable to the U.S. holder as ordinary income at the time it is paid or accrued in accordance with such holder s usual method of accounting for U.S. federal income tax purposes.

Gain or Loss on Dispositions of New Horizon Ordinary Shares or Convertible Notes by U.S. Holders

Gain or Loss on Disposition of New Horizon Ordinary Shares

Subject to the discussion below under Passive Foreign Investment Company Provisions, upon the sale, exchange or other disposition of New Horizon ordinary shares, a U.S. holder will recognize capital gain or loss equal to the difference between the dollar amount realized upon the sale, exchange, or other disposition and the U.S. holder s tax basis in the stock. This capital gain or loss will be long-term capital gain or loss if the U.S. holder s holding period in the New Horizon ordinary shares exceeds one year. Long-term capital gain of a non-corporate U.S. holder is generally taxed at a maximum rate of 20%. The deductibility of capital losses is subject to limitations. The capital gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. U.S. holders should consult their own tax advisers regarding the U.S. federal income tax consequences of receiving currency other than dollars upon the disposition of New Horizon ordinary shares.

Gain or Loss on Sale, Redemption, Exchange or Other Disposition of Convertible Notes

Subject to the discussion below under Passive Foreign Investment Company Provisions, A U.S. holder of Convertible Notes will recognize capital gain or loss upon the sale or redemption of a Convertible Note and

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upon a conversion of a Convertible Note to New Horizon ordinary shares. The amount of gain or loss recognized will equal the difference between the cash and/or the fair market value of New Horizon ordinary shares received, if any, and the U.S. holder s adjusted tax basis in the Convertible Note. This capital gain or loss will be long-term capital gain or loss if the U.S. holder s holding period for the Convertible Note exceeds one year. Long-term capital gain of a non-corporate U.S. holder is generally taxed at a maximum rate of 20%. The deductibility of capital losses is subject to limitations. Any amounts received with respect to accrued interest will generally be taxable to the U.S. holder as ordinary income at the time it is paid or accrued in accordance with such holder s usual method of accounting for U.S. federal income tax purposes.

Passive Foreign Investment Company Provisions

The treatment of U.S. holders of New Horizon ordinary shares or Convertible Notes in some cases could be materially different (and potentially adverse) from the treatment described above if, at any relevant time, New Horizon were a passive foreign investment company, which is referred to in this proxy statement/prospectus as a PFIC.

For U.S. tax purposes, a foreign corporation is classified as a PFIC for any taxable year if either (1) 75% or more of its gross income is passive income (as defined for U.S. federal income tax purposes) or (2) the average percentage of assets held by such corporation which produce passive income or which are held for the production of passive income is at least 50%. For purposes of applying the tests in the preceding sentence, the foreign corporation is deemed to own its proportionate share of the assets, and to receive directly its proportionate share of the income, of any other corporation of which the foreign corporation owns, directly or indirectly, at least 25% by value of the stock. Horizon believes that New Horizon will not be a PFIC following the Merger.

The tests for determining PFIC status are applied annually, and it is difficult to accurately predict future income and assets relevant to this determination. Accordingly, Horizon cannot assure U.S. holders that New Horizon will not become a PFIC. If New Horizon should determine in the future that it is a PFIC, it will endeavor to so notify U.S. holders of New Horizon ordinary shares and Convertible Notes, although there can be no assurance that it will be able to do so in a timely and complete manner. U.S. holders of New Horizon ordinary shares and Convertible Notes should consult their own tax advisors about the PFIC rules, including the availability of certain elections.

Medicare Tax

In general, a U.S. holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the U.S. holder s net investment income for the relevant taxable year and (2) the excess of the U.S. holder s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual s circumstances). A U.S. holder s net investment income will include its gross dividend and interest income and its net gains from the disposition of New Horizon ordinary shares and/or Convertible Notes. If you are a U.S. holder that is an individual, estate or trust, you are encouraged to consult your tax advisor regarding the applicability of the Medicare tax to your income and gains in respect of your investment in New Horizon ordinary shares and/or Convertible Notes.

Information Reporting and Backup Withholding

U.S. individuals that own specified foreign financial assets with an aggregate fair market value exceeding either U.S. $50,000 on the last day of the taxable year or U.S. $75,000 at any time during the taxable year generally are required to file an information report on IRS Form 8938 with respect to such assets with their tax returns. Significant penalties may apply to persons who fail to comply with these rules. Specified foreign financial assets include not only financial

accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person. Upon the issuance of future Treasury Regulations, these information reporting requirements may apply to certain U.S.

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entities that own specified foreign financial assets. The failure to report information required under the current regulations could result in substantial penalties and in the extension of the statute of limitations with respect to federal income tax returns filed by a U.S. holder. U.S. holders should consult their own tax advisors regarding the possible implications of these Treasury Regulations for an investment in New Horizon ordinary shares.

Dividends on New Horizon ordinary shares paid within the United States or through certain U.S.-related financial intermediaries and interest paid on Convertible Notes are subject to information reporting and may be subject to backup withholding (currently at a 28% rate) unless the holder (1) is a corporation or other exempt recipient (including generally non-U.S. holders who establish such foreign status) or (2) provides a taxpayer identification number and satisfies certain certification requirements. Information reporting requirements and backup withholding may also apply to the payment of proceeds from a sale (including a redemption) of New Horizon ordinary shares within the United States and Convertible Notes. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder s U.S. federal income tax liability, provided that the holder timely furnishes certain required information to the IRS. Holders should consult their tax advisers regarding the application of information reporting and backup withholding to their particular situations.

If a U.S. holder of New Horizon ordinary shares does not provide New Horizon (or its paying agent) the holder s correct taxpayer identification number or other required information, the holder may be subject to penalties imposed by the IRS.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH HOLDER OF HORIZON COMMON STOCK, NEW HORIZON ORDINARY SHARES OR CONVERTIBLE NOTES SHOULD CONSULT HIS, HER OR ITS TAX ADVISER AS TO THE PARTICULAR CONSEQUENCES THAT MAY APPLY TO SUCH HOLDER.

Irish Tax Considerations

Scope of Discussion

The following is a general summary of the main Irish tax considerations applicable to certain beneficial owners of Horizon common stock who receive New Horizon ordinary shares in the Merger and who are the beneficial owners of such New Horizon ordinary shares. It is based on existing Irish law and practices in effect on the date of this proxy statement/prospectus and on discussions and correspondence with the Revenue Commissioners of Ireland (the Revenue Commissioners). Legislative, administrative or judicial changes may modify the tax consequences described below.

The statements do not constitute tax advice and are intended only as a general guide. Furthermore, this information applies only to New Horizon ordinary shares held as capital assets and does not apply to all categories of New Horizon shareholders, such as dealers in securities, trustees, insurance companies, collective investment schemes and shareholders who have, or who are deemed to have, acquired their New Horizon ordinary shares by virtue of an office or employment. This summary is not exhaustive and you should consult your own tax advisers as to the tax consequences in Ireland, or other relevant jurisdictions, of the Merger, including the acquisition, ownership and disposition of the New Horizon ordinary shares.

Irish Tax on Chargeable Gains

The rate of tax on chargeable gains (where applicable) in Ireland is 33%.

Non-resident holders

Horizon stockholders that are not resident or ordinarily resident in Ireland for Irish tax purposes and do not hold their stock in connection with a trade carried on by such holder in Ireland through a branch or agency will not be within the charge to Irish tax on chargeable gains realized on the receipt of New Horizon ordinary shares as consideration for the cancellation of their Horizon common stock in the Merger.

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New Horizon shareholders that are not resident or ordinarily resident in Ireland for Irish tax purposes and do not hold their shares in connection with a trade carried on by such holders in Ireland through a branch or agency will not be liable for Irish tax on chargeable gains realized on a subsequent disposal of their New Horizon shares or interests therein.

Irish resident holders

Horizon stockholders that are resident or ordinarily resident in Ireland for Irish tax purposes, or holders that hold their stock in connection with a trade carried on by such persons in Ireland through a branch or agency, will, subject to the availability of any exemptions and reliefs, be within the charge to Irish tax on chargeable gains arising on the cancellation of their Horizon stock pursuant to the Merger.

Horizon stockholders that are resident or ordinarily resident in Ireland for Irish tax purposes, or holders that hold their stock in connection with a trade carried on by such persons in Ireland through a branch or agency will, subject to the availability of any exemptions and reliefs, generally be within the charge to Irish tax on chargeable gains arising on a subsequent disposal of their New Horizon shares or interests therein, as the case may be.

A New Horizon shareholder who is an individual and who is temporarily not resident in Ireland may, under Irish anti-avoidance legislation, still be liable to Irish tax on any chargeable gain realized upon subsequent disposal of the New Horizon shares or interests therein, as the case may be.

Withholding Tax on Dividends

While there are no current plans to cause New Horizon to pay dividends, distributions made by New Horizon would generally be subject to Irish dividend withholding tax (DWT) at the standard rate of income tax (currently 20%), unless one of the exemptions described below applies, which should be the case for the majority of New Horizon shareholders. For DWT purposes, a dividend includes any distribution made by New Horizon to its shareholders, including cash dividends, non-cash dividends and additional stock or units taken in lieu of a cash dividend. New Horizon will be responsible for withholding DWT at source and forwarding the relevant payment to the Revenue Commissioners.

Certain New Horizon shareholders (both individual and corporate) will be entitled to an exemption from DWT. In particular, under Irish domestic law a non-Irish tax resident shareholder is not subject to DWT on dividends received from New Horizon if such shareholder is beneficially entitled to the dividend and is:

an individual New Horizon shareholder resident for tax purposes in a relevant territory, and the individual is neither resident nor ordinarily resident in Ireland. Relevant territory for the purposes of DWT includes: Albania; Armenia; Australia; Austria; Bahrain; Belarus; Belgium; Bosnia & Herzegovina; Bulgaria; Canada; Chile; China; Croatia; Cyprus; Czech Republic; Denmark; Egypt; Estonia; Finland; France; Georgia; Germany; Greece; Hong Kong; Hungary; Iceland; India; Israel; Italy; Japan; Korea; Kuwait; Latvia; Lithuania; Luxembourg; Macedonia; Malaysia; Malta; Mexico; Moldova; Montenegro; Morocco; The Netherlands; New Zealand; Norway; Pakistan; Panama; Poland; Portugal; Qatar; Romania; Russia; Saudi Arabia; Serbia; Singapore; Slovak Republic; Slovenia; South Africa; Spain; Sweden; Switzerland; Thailand; Turkey; United Arab Emirates; Ukraine; United Kingdom; United States; Uzbekistan; Vietnam; and Zambia;

a corporate New Horizon shareholder that is not resident for tax purposes in Ireland and which is ultimately controlled, directly or indirectly, by persons tax resident in a relevant territory ;

a corporate New Horizon shareholder resident for tax purposes in a relevant territory provided that such corporate shareholder is not under the control, whether directly or indirectly, of a person or persons who is or are resident in Ireland;

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a corporate New Horizon shareholder that is not resident for tax purposes in Ireland and whose principal class of shares (or those of its 75% parent) is substantially and regularly traded on a recognized stock exchange either in a relevant territory or on such other stock exchange approved by the Minister for Finance of Ireland; or

a corporate New Horizon shareholder that is not resident for tax purposes in Ireland and is wholly-owned, directly or indirectly, by two or more companies where the principal class of shares of each of such companies is substantially and regularly traded on a recognized stock exchange in a relevant territory or on such other stock exchange approved by the Minister for Finance of Ireland,

and provided that, in all cases noted above but subject to the matters described below, the New Horizon shareholder has provided the appropriate forms to his or her broker (and the relevant information is further transmitted to New Horizon s qualifying intermediary) before the record date for the dividend (in the case of shares held through book-entry interests in DTC), or to New Horizon s transfer agent before a date to be determined by New Horizon (in the case of shares held directly).

For non-Irish tax resident shareholders that cannot avail of one of Ireland s domestic law exemptions from DWT, it may be possible for such shareholders to rely on the provisions of a double tax treaty to which Ireland is party to reduce the rate of DWT.

Links to the various Revenue Commissioner s forms (DWT Forms) are available at: http://www.revenue.ie/en/tax/dwt/forms/index.html.

In most cases, individual New Horizon shareholders tax resident in a relevant territory should complete a non-resident Form V2A and corporate (company) New Horizon shareholders tax resident in a relevant territory should complete a non-resident Form V2B. Where a New Horizon shareholder is neither an individual nor a company but is resident for tax purposes in a relevant territory, it should complete a non-resident Form V2C. Please contact your broker or your tax adviser if you have any questions regarding DWT.

Qualifying Intermediary

Should it decide to pay a dividend, prior to paying any dividends or making any distributions, New Horizon will enter into an agreement with an institution which will be recognized by the Revenue Commissioners as a qualifying intermediary . This will satisfy one of the Irish tax requirements for dividends to be paid free of DWT to certain shareholders who hold their shares through DTC, as described below. The agreement will generally provide for certain arrangements relating to cash distributions in respect of the shares of New Horizon that are held through DTC (the Deposited Securities). The agreement will also provide that the qualifying intermediary shall distribute or otherwise make available to Cede & Co., as nominee for DTC, any cash dividend or other cash distribution to be made to holders of the Deposited Securities, after New Horizon delivers or causes to be delivered to the qualifying intermediary the cash to be distributed.

New Horizon will rely on information received directly or indirectly from brokers and its transfer agent in determining where shareholders reside, whether they have provided the required U.S. forms and whether they have provided the required DWT Forms, as described below. New Horizon shareholders who are required to file DWT Forms in order to receive their dividends free of DWT should note that such DWT Forms are generally valid, subject to a change in circumstances, until December 31 of the fifth year after the year in which such DWT Forms were completed and new DWT Forms must be filed before the expiration of that period in order to continue to enable the receipt of dividends by those shareholders without DWT.

Shares Held by U.S. Resident Shareholders

Dividends on New Horizon ordinary shares that are owned by residents of the United States and held through DTC will not be subject to DWT provided that the address of the beneficial owner of the book entry

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interest held in the New Horizon ordinary shares in the records of the broker is in the United States. Horizon strongly recommends that such New Horizon shareholders ensure that their information has been properly recorded by their brokers (so that such brokers can further transmit the relevant information to New Horizon s qualifying intermediary) by filing a Form W-9 with their broker.

Dividends on New Horizon ordinary shares that are owned by residents of the United States and held directly will be paid on or before the date that is one year after the relevant date (defined below) without any DWT if the New Horizon shareholder held Horizon common stock on the date on which it is publicly announced that the last shareholder vote approving the transactions has been passed, which is referred to in this proxy statement/prospectus as the relevant date, and has provided a valid Form W-9 showing a U.S. address or a valid U.S. taxpayer identification number to New Horizon s transfer agent or if the shareholder did not hold shares of Horizon common stock on the relevant date and has provided the appropriate DWT forms to New Horizon s transfer agent, in either case, by the due date to be determined by New Horizon before the record date for the first dividend to which the shareholder is entitled. Horizon strongly recommends that such New Horizon shareholders ensure that an appropriate Form W-9 or taxpayer identification number or the relevant DWT form has been provided to New Horizon s transfer agent.

In addition, all New Horizon shareholders who hold their New Horizon ordinary shares directly and who are residents of the United States (regardless of when such shareholders acquired their shares) must complete the appropriate DWT Forms and obtain a Form IRS 6166 (unless the DWT forms have been certified by the IRS) in order to receive dividends paid later than one year after the relevant date without DWT. Such shareholders must provide the appropriate forms to their brokers (so that such brokers can further transmit the relevant information to New Horizon s qualifying intermediary) before the record date for the first dividend paid later than one year after the relevant date (in the case of shares held beneficially), or to New Horizon s transfer agent by the due date to be determined by New Horizon before such record date (in the case of shares held directly). Horizon strongly recommends that such New Horizon shareholders complete the appropriate DWT Forms and obtain a Form IRS 6166, if required, and provide them to their brokers or New Horizon s transfer agent, as the case may be, as soon as possible.

If any New Horizon shareholder who is resident in the U.S receives a dividend subject to DWT, he or she should generally be able to make an application for a refund from the Revenue Commissioners on the prescribed form.

Shares Held by Residents of Relevant Territories Other than the United States

Dividends paid to New Horizon shareholders who are residents of relevant territories other than the United States and (in the case of companies) who are not under the control, directly or indirectly, of a person or persons who are resident in Ireland, generally will not be subject to DWT, but those shareholders will need to provide the appropriate tax forms in order to receive their dividends without any DWT as summarized below.

New Horizon shareholders who are residents of relevant territories other than the United States who held shares of Horizon common stock on or before the relevant date generally will receive dividends paid on or before one year after the relevant date without any DWT. For shares held by such shareholders through DTC, dividends will be paid on or before one year after the relevant date without any DWT if the address of the relevant New Horizon shareholder in his or her broker s records as evidenced by a Form W-8 is in a relevant territory other than the United States. Horizon strongly recommends that such New Horizon shareholders ensure that their information has been properly recorded by their brokers (so that such brokers can further transmit the relevant information to New Horizon s qualifying intermediary). For shares held directly by such shareholders, dividends will be paid on or before one year after the relevant date without any DWT if the New Horizon shareholder has provided a valid U.S. Form W-8 showing an address in a relevant territory other than the United States to New Horizon s transfer agent by the due date to be determined by New Horizon before the record date for the first dividend to which they are entitled. Horizon strongly

recommends that such New Horizon shareholders ensure that the appropriate tax form has been provided to New Horizon s transfer agent.

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New Horizon shareholders who are residents of relevant territories other than the United States who did not hold shares of Horizon common stock on the relevant date must complete the appropriate DWT Forms in order to receive their dividends without DWT. Such New Horizon shareholders must provide the appropriate DWT Forms to their brokers (so that such brokers can further transmit the relevant information to New Horizon s qualifying intermediary) before the record date for the first dividend payment to which they are entitled (in the case of shares held through DTC), or to New Horizon s transfer agent by the due date to be determined by New Horizon before such record date (in the case of shares held directly). Horizon strongly recommends that such New Horizon shareholders complete the appropriate DWT Forms and provide them to their brokers or New Horizon s transfer agent, as the case may be, as soon as possible after acquiring their shares.

In addition, all New Horizon shareholders who are residents of relevant territories other than the United States (regardless of when such shareholders acquired their shares) must complete the appropriate DWT Forms in order to receive dividends paid later than one year after the relevant date without DWT. Such shareholders must provide the appropriate DWT Forms to their brokers (so that such brokers can further transmit the relevant information to New Horizon s qualifying intermediary) before the record date for the first dividend paid later than one year after the relevant date (in the case of shares held through DTC), or to New Horizon s transfer agent by the due date to be determined by New Horizon before such record date (in the case of shares held directly). Horizon strongly recommends that such New Horizon shareholders complete the appropriate DWT Forms and provide them to their brokers or New Horizon s transfer agent, as the case may be, as soon as possible.

Shares Held by Residents of Ireland

Most Horizon shareholders who are resident or ordinarily resident in Ireland (other than Irish resident companies) should be subject to DWT in respect of dividend payments on their New Horizon ordinary shares.

New Horizon shareholders that are residents of Ireland but are entitled to receive dividends without DWT must complete the appropriate DWT Forms and provide them to their brokers (so that such brokers can further transmit the relevant information to New Horizon s qualifying intermediary) before the record date for the first dividend to which they are entitled (in the case of shares held through DTC), or to New Horizon s transfer agent by the due date to be determined by New Horizon before such record date (in the case of shares held directly). New Horizon shareholders who are resident or ordinarily resident in Ireland or are otherwise subject to Irish tax should consult their own tax advisers.

Shares Held by Other Persons

New Horizon shareholders who do not reside in relevant territories or in Ireland should be subject to DWT, but there are a number of other exemptions that could apply on a case-by-case basis. Dividends paid to such shareholders will be paid subject to DWT unless the relevant shareholder has provided the appropriate DWT Form to his or her broker (so that such broker can further transmit the relevant information to New Horizon s qualifying intermediary) prior to the record date for the first dividend to which they are entitled (in the case of shares held through DTC), or to New Horizon s transfer agent by the due date to be determined by New Horizon before such record date (in the case of shares held directly). Horizon strongly recommends that such New Horizon shareholders to whom an exemption applies complete the appropriate DWT Forms and provide them to their brokers or New Horizon s transfer agent, as the case may be, as soon as possible.

If any New Horizon shareholder who is not a resident of a relevant territory or Ireland but is exempt from withholding tax receives a dividend subject to DWT, he or she may make an application for a refund from the Revenue Commissioners on the prescribed form.

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Income Tax on Dividends Paid on New Horizon Ordinary Shares

Irish income tax (if any) arises in respect of dividends paid by New Horizon.

A New Horizon shareholder who is neither resident nor ordinarily resident in Ireland and who is entitled to an exemption from DWT, generally has no liability for Irish income tax or to the universal social charge on a dividend from New Horizon unless he or she holds his or her New Horizon ordinary shares through a branch or agency in Ireland through which a trade is carried on.

A New Horizon shareholder who is neither resident nor ordinarily resident in Ireland and who is not entitled to an exemption from DWT generally has no additional liability to income tax or to the universal social charge unless he or she holds his or her New Horizon ordinary shares through a branch or agency in Ireland through which a trade is carried on. The DWT deducted by New Horizon discharges such liability to Irish income tax provided that the New Horizon shareholder furnishes the statement of DWT imposed to the Revenue Commissioners.

A New Horizon shareholder who is neither resident nor ordinarily resident in Ireland and is resident in a relevant territory or otherwise exempt from Irish DWT but who receives dividends subject to DWT should be able to make a reclaim of the DWT from the Revenue Commissioners unless he or she holds his or her New Horizon ordinary shares through a branch or agency in Ireland through which a trade is carried on.

New Horizon shareholders who are resident or ordinarily resident in Ireland may be subject to Irish tax, universal social charge and PRSI on dividends received from New Horizon. Such New Horizon shareholders should consult their own tax advisers.

Capital Acquisitions Tax

Irish capital acquisitions tax (CAT) is comprised principally of gift tax and inheritance tax. CAT could apply to a gift or inheritance of New Horizon ordinary shares irrespective of the place of residence, ordinary residence or domicile of the parties. This is because New Horizon ordinary shares will likely be regarded as property situated in Ireland as the share register of New Horizon must be maintained in Ireland. The person who receives the gift or inheritance has primary liability for CAT.

Subject to available exemptions and reliefs, CAT is levied at a rate of 33% above certain tax-free thresholds. The appropriate tax-free threshold is dependent upon (i) the relationship between the donor and the donee and (ii) the aggregation of the values of previous gifts and inheritances received by the donee from persons within the same category of relationship for CAT purposes. Gifts and inheritances passing between spouses are exempt from CAT. In respect of taxable gifts or inheritances received by children from their parents, there is currently a tax-free threshold of 225,000.

New Horizon shareholders should consult their own tax advisers as to whether CAT is creditable or deductible in computing any domestic tax liabilities.

Stamp Duty

The rate of stamp duty (where applicable) on transfers of shares of Irish incorporated companies is 1% of the price paid or the market value of the shares acquired, whichever is greater. Where Irish stamp duty arises it is generally a liability of the transferee or in the case of a transfer by way of a gift or for less than market value, all parties to the transfer. Irish stamp duty (if any) may become payable in respect of New Horizon ordinary share transfers occurring

after completion of the Merger, subject to the below.

Shares Held through DTC

A transfer of New Horizon shares effected by means of the transfer of book entry interests in DTC will not be subject to Irish stamp duty. It is anticipated that the majority of New Horizon ordinary shares will be held in

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DTC. Accordingly, for the majority of transfers of New Horizon ordinary shares, there should not be any Irish stamp duty.

Shares Held Outside of DTC or Transferred into or out of DTC

A transfer of New Horizon shares where any party to the transfer holds such shares outside of DTC may be subject to Irish stamp duty. A New Horizon shareholder who holds New Horizon ordinary shares outside of DTC may transfer those shares into DTC without giving rise to Irish stamp duty provided that the New Horizon shareholder would be the beneficial owner of the related book-entry interest in those shares recorded in the systems of DTC (and in exactly the same proportions) as a result of the transfer and at the time of the transfer into DTC there is no sale of those book-entry interests to a third party being contemplated by the New Horizon shareholder. Similarly, a New Horizon shareholder who holds New Horizon ordinary shares through DTC may transfer those shares out of DTC without giving rise to Irish stamp duty provided that the New Horizon shareholder would be the beneficial owner of the shares (and in exactly the same proportions) as a result of the transfer, and at the time of the transfer out of DTC there is no sale of those shares to a third party being contemplated by the New Horizon shareholder. In order for the share registrar to be satisfied as to the application of this Irish stamp duty treatment where relevant, the New Horizon shareholder must confirm to New Horizon that the New Horizon shareholder would be the beneficial owner of the related book-entry interest in those shares recorded in the systems of DTC (and in exactly the same proportions) (or vice-versa) as a result of the transfer and there is no agreement for the sale of the related book-entry interest or the shares or an interest in the shares, as the case may be, by the New Horizon shareholder to a third party being contemplated.

Because of the potential Irish stamp duty on transfers of New Horizon ordinary shares, Horizon strongly recommends that all directly registered Horizon stockholders open broker accounts so they can transfer their shares of Horizon common stock into DTC as soon as possible. Horizon also strongly recommends that any person who wishes to acquire New Horizon ordinary shares after completion of the Merger acquire such shares through DTC.

In order for DTC, Cede & Co. and National Securities Clearing Corporation (NSCC), which provides clearing services for securities that are eligible for the depository and book-entry transfer services provided by DTC and that are registered in the name of Cede & Co. (collectively the DTC Parties) to agree to provide services with respect to the New Horizon shares, a composition agreement has been concluded with the Revenue Commissioners under which New Horizon has assumed the obligation to pay any liability for Irish stamp duty or any similar Irish documentary or transfer tax in respect of transactions in new Horizon shares to which any of the DTC Parties is a party or which may be processed through the services of any of the DTC Parties and the DTC Parties have received confirmation from the Revenue Commissioners that while such composition agreement remains in force, the DTC Parties shall not be liable for any Irish stamp duty in respect of transactions in New Horizon shares. In addition, to assure the DTC Parties that they will have no liability to Irish stamp duty or any similar documentary or transfer tax in connection with new Horizon shares under any circumstance (including as a result of a change in applicable law) and to make other provisions with respect to the New Horizon shares as required by the DTC Parties, New Horizon and Computershare Trust Company, N.A., a U.S. national banking association acting as transfer agent (Computershare) entered into a Special Eligibility Agreement for Securities with the DTC Parties wherein new Horizon and Computershare (as to which New Horizon indemnifies Computershare) provide certain indemnities to the DTC Parties and wherein it is provided that DTC may impose a global lock on the New Horizon shares or otherwise limit transactions in the shares, or cause the shares to be withdrawn, and NSCC may, in its sole discretion exclude New Horizon shares from its Continuous Net Settlement service or any other service, and any of the DTC parties may take other restrictive measures with respect to the New Horizon shares as it may deem necessary and appropriate, without any liability on the part of the DTC Parties, (i) at any time that it may appear to any of the DTC Parties, in its sole discretion, that to continue to hold or process transactions in the New Horizon shares will give rise to any Irish stamp duty or similar

documentary or transfer tax liability with respect to the New Horizon shares on the part of any DTC Party or (ii) otherwise as the DTC s rules or NSCC s rules provide.

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New Horizon s official share register must be maintained in Ireland. Registration in this share register will be determinative of shareholding in New Horizon. Only New Horizon shareholders will be entitled to receive dividends, if any, when declared. Subject to certain exceptions, only New Horizon shareholders will be entitled to vote in general meetings of New Horizon.

A written instrument of transfer is generally required under Irish law in order for a transfer of the legal ownership of shares to be registered on New Horizon s official share register. Such instruments of transfer may be subject to Irish stamp duty, which must be paid prior to the official share register being updated.

A holder of ordinary shares in New Horizon who holds shares through DTC will not be the legal owner of such shares (instead, the depository (for example, Cede & Co., as nominee for DTC) will be the holder of record of such shares). Accordingly, a transfer of shares from a person who holds such shares through DTC to a person who also holds such shares through DTC will not be registered in New Horizon s official share register, i.e., the depository will remain the record holder of such shares.

New Horizon s memorandum and articles of association, as it will be in effect after the completion of the Merger, in substantially the form set forth on Annex C to this proxy statement/prospectus, delegate to New Horizon s secretary the authority to execute an instrument of transfer on behalf of a transferring party, which the secretary may do if for any reason such instrument is required and has not already been lodged with New Horizon.

To the extent that stamp duty is due but has not been paid, New Horizon, in its absolute discretion and insofar as the Companies Acts or any other applicable law permit, may, or may provide that a subsidiary of New Horizon will, pay Irish stamp duty arising on a transfer of New Horizon ordinary shares on behalf of the transferee of such New Horizon ordinary shares. If stamp duty resulting from the transfer of New Horizon ordinary shares which would otherwise be payable by the transferee is paid by New Horizon or any subsidiary of New Horizon on behalf of the transferee, then in those circumstances, New Horizon will, on its behalf or on behalf of its subsidiary (as the case may be), be entitled to (i) seek reimbursement of the stamp duty from the transferee, (ii) set-off the stamp duty against any dividends payable to the transferee of those New Horizon ordinary shares and (iii) to claim a first and permanent lien on the New Horizon ordinary shares on which stamp duty has been paid by New Horizon or its subsidiary for the amount of stamp duty paid. New Horizon s lien shall extend to all dividends paid on those New Horizon ordinary shares.

IN LIGHT OF THE FOREGOING, HOLDERS ARE URGED TO CONSULT AND MUST RELY ON THE ADVICE OF THEIR OWN TAX ADVISERS REGARDING THE TAX CONSEQUENCES TO THEM OF THE MERGER, INCLUDING APPLICABLE U.S. FEDERAL, STATE, LOCAL, IRISH AND OTHER FOREIGN, AND OTHER TAX CONSEQUENCES.

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NO APPRAISAL RIGHTS

Appraisal rights are statutory rights under Delaware law that enable stockholders who object to certain extraordinary transactions to demand that the corporation pay such stockholders the fair value of their shares instead of receiving the consideration offered to stockholders in connection with the extraordinary transaction. However, appraisal rights are not available in all circumstances. Appraisal rights are not available to Horizon stockholders in connection with the Merger.

LISTING OF NEW HORIZON ORDINARY SHARES ON NASDAQ

Vidara ordinary shares currently are not traded or quoted on a stock exchange or quotation system. Horizon expects that (and it is condition to the Merger that), following the Merger, New Horizon ordinary shares will be listed for trading on NASDAQ. It is anticipated that the New Horizon ordinary shares will be listed under the symbol HZNP. As described under *Description of New Horizon Warrants*, there are no plans to publicly list the warrants to purchase New Horizon ordinary shares into which outstanding warrants to purchase Horizon common stock will be converted in the Merger.

Following the consummation of the Merger, Horizon common stock will be delisted from NASDAQ and deregistered under the Exchange Act.

VOTE REQUIRED TO ADOPT THE MERGER AGREEMENT; BOARD RECOMMENDATION

The affirmative vote of the holders of a majority of the shares of Horizon common stock outstanding on the record date for the Special Meeting is required for the approval of the proposal to adopt the Merger Agreement and approve the Merger.

The Horizon board of directors unanimously recommends that the Horizon stockholders vote FOR the proposal to adopt the Merger Agreement and approve the Merger.

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THE COMPANIES

Horizon Pharma, Inc.

Horizon Pharma, Inc., a Delaware corporation, was incorporated on March 23, 2010 and is a holding company that operates primarily through its two wholly-owned subsidiaries, Horizon Pharma USA, Inc., a Delaware corporation, and Horizon Pharma AG, a company organized under the laws of Switzerland. Horizon common stock is currently listed on NASDAQ under the symbol HZNP. Horizon is a specialty pharmaceutical company commercializing DUEXIS, VIMOVO and RAYOS/LODOTRA, each of which targets unmet therapeutic needs in arthritis, pain and inflammatory diseases. Horizon developed DUEXIS and RAYOS/LODOTRA and Horizon acquired the U.S. rights to VIMOVO from AstraZeneca AB in November 2013. Horizon s strategy is to develop, acquire or in-license additional innovative medicines or acquire companies where Horizon can execute a targeted commercial approach among specific target physicians such as primary care physicians, orthopedic surgeons and rheumatologists, while taking advantage of Horizon s commercial strengths and the infrastructure Horizon has put in place.

As a result of the Merger, Horizon will become an indirect wholly-owned subsidiary of New Horizon.

Horizon s principal executive offices are located at 520 Lake Cook Road, Suite 520, Deerfield, Illinois 60015 and its telephone number is (224) 383-3000. For additional information on Horizon and its business, see *Where You Can Find More Information*.

Vidara Therapeutics International Limited

Vidara Therapeutics International Limited (formerly Aravis Therapeutics International Limited) is a private limited company formed under the laws of Ireland (registered number 507678) on December 20, 2011. Vidara is a specialty pharmaceutical company with operations in Dublin, Ireland. The Vidara Group markets ACTIMMUNE®, a bioengineered form of interferon gamma-1b, a protein that acts as a biologic response modifier. ACTIMMUNE is approved by the U.S. Food and Drug Administration for use in the United States in children and adults with *chronic granulomatous disease* (CGD) and *severe, malignant osteopetrosis* (SMO).

Vidara s principal executive offices currently are located at Adelaide Chambers, Peter Street, Dublin 8, Ireland and its telephone number is 011 353 1 449 3250. For additional information on Vidara and its business see, *The Business of Vidara*.

Prior to the completion of the Merger, Vidara will be re-registered as a public limited company and, subject to confirmation by the Registrar of Companies in Ireland, renamed Horizon Pharma plc. Immediately following the Merger, the former security holders of Horizon will own approximately 74% of New Horizon, on a fully diluted basis, excluding shares of common stock that could be acquired upon the conversion of the 5.00% Convertible Senior Notes due 2018 and Vidara Holdings, the sole historical shareholder of Vidara will own approximately 26% on a fully diluted basis.

In connection with the reorganization and as of immediately prior to the closing, New Horizon will amend and restate its memorandum and articles of association. At the effective time, Horizon stockholders who receive New Horizon ordinary shares in the Merger will become New Horizon shareholders and their rights as shareholders will be governed by the amended and restated memorandum and articles of association of New Horizon and Irish law. The amended and restated memorandum and articles of association of New Horizon effective immediately prior to the closing will be substantially in the form set forth in Annex C of this proxy statement/prospectus. For a comparison of the rights of a holder of ordinary shares under the amended and restated memorandum and articles of association of

New Horizon and Irish law with the rights of a holder of Horizon common stock under the Horizon charter documents and Delaware law, see *Comparison of the Rights of Holders of Horizon Common Stock and New Horizon Ordinary Shares*.

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Hamilton Holdings (USA), Inc.

Hamilton Holdings (USA), Inc., is a Delaware corporation formed as part of the restructuring of Vidara to hold U.S. subsidiaries of New Horizon and is referred to as U.S. HoldCo. U.S. HoldCo owns all of the outstanding capital stock of Hamilton Merger Sub, Inc. U.S. HoldCo has not conducted any activities other than those incidental to its formation and the matters contemplated by the Merger Agreement. U.S. HoldCo s registered address is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

Hamilton Merger Sub, Inc.

Hamilton Merger Sub, Inc. (Merger Sub) is a wholly-owned subsidiary of U.S. HoldCo, and is a Delaware corporation formed solely for the purpose of effecting the Merger with Horizon. Upon the terms and conditions set forth in the Merger Agreement, Merger Sub will be merged with and into Horizon and the separate existence of Merger Sub will cease. Horizon will be the surviving corporation in the Merger as an indirect wholly-owned subsidiary of New Horizon. Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the Merger Agreement. Merger Sub s registered address is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

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TRANSACTION AGREEMENT AND PLAN OF MERGER

The following is a summary of certain material terms of the Transaction Agreement and Plan of Merger referred to as the Merger Agreement in this proxy statement/prospectus and is qualified in its entirety by reference to the complete text of the Merger Agreement, which is incorporated into this proxy statement/prospectus by reference in its entirety and attached as Annex A to this proxy statement/prospectus. Horizon urges you to read carefully this entire proxy statement/prospectus, including the Annexes and the documents incorporated by reference. You should also review the section entitled Where You Can Find More Information.

The Merger Agreement has been included to provide you with information regarding its terms, and Horizon recommends that you read the Merger Agreement carefully and in its entirety. Except for its status as the contractual document that establishes and governs the legal relations among the parties with respect to the Merger and reorganization, Horizon does not intend for the Merger Agreement to be a source of factual, business or operational information about the companies. The Merger Agreement contains representations and warranties of the parties as of specific dates and may have been used for purposes of allocating risk between the parties rather than establishing matters as facts. Those representations and warranties are qualified in several important respects, which you should consider as you read them in the Merger Agreement. The representations and warranties are qualified in their entirety by certain information Horizon filed with the SEC prior to the date of the Merger Agreement, by confidential disclosure schedules that Horizon prepared and delivered to Vidara Holdings in connection with the execution of the Merger Agreement, as well as by confidential disclosure schedules that Vidara Holdings prepared and delivered to Horizon in connection with the execution of the Merger Agreement, and are qualified by contractual standards of materiality that may differ from what stockholders consider to be material. Information concerning the subject matter of the representations and warranties may have changed since the date of the Merger Agreement and new information qualifying a representation or warranty may have been included in this proxy statement/prospectus. For the foregoing reasons, you should not rely on the representations and warranties contained in the Merger Agreement as statements of factual information.

The Reorganization of Vidara

Prior to the effective time, and in accordance with schedule 1 of the Merger Agreement, Vidara will carry out the reorganization. Please see *The Reorganization and the Merger The Reorganization of Vidara* .

The Merger; Closing of the Merger

Unless the Merger Agreement is terminated prior to such time (see *Termination of the Merger Agreement*), the closing will occur on (1) the date which is 15 business days after the satisfaction or waiver of all of the conditions set forth in the Merger Agreement, subject to certain exceptions, or (2) such other date as designated jointly by Horizon and Vidara Holdings, provided that such date will automatically be extended for so long as any of the conditions set forth in the Merger Agreement have not been satisfied or waived. In no event shall the closing occur prior to June 20, 2014 or on the final day of any calendar quarter.

Contemporaneously with the closing of the Merger, the parties shall file a certificate of merger with the Secretary of State of the State of Delaware. On the terms and subject to the conditions of the Merger Agreement, at the effective time, Merger Sub will be merged with and into Horizon and the separate corporate existence of Merger Sub will cease. Horizon will survive the Merger as an indirect wholly-owned subsidiary of Vidara, with Vidara re-registering as a public limited company and changing its name to Horizon Pharma plc, referred to in this proxy statement/prospectus as New Horizon. For purposes of this section, Horizon following the effective time is referred to

as the surviving corporation. All property, rights, privileges, immunities, powers, franchises, debts, liabilities, obligations and duties of Horizon and Merger Sub will become those of the surviving corporation at the effective time.

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Merger Consideration to Horizon Stockholders

At the effective time, each share of Horizon common stock issued and outstanding immediately prior to the effective time, and all rights in respect thereof, shall be canceled and automatically converted into and become the right to receive one ordinary share of New Horizon.

Merger Sub Capital Stock

At the effective time, each share of common stock, par value $0.001 per share, of Merger Sub issued and outstanding immediately prior to the effective time shall remain outstanding and shall represent one share of common stock, par value $0.01 per share, of the Surviving Corporation, so that, after the Effective Time, Vidara shall be the indirect owner of all of the issued and outstanding shares of the Surviving Corporation s common stock.

Payment of Estimated Cash Consideration

Under the Merger Agreement, Vidara Holdings is entitled to receive cash in the amount of $200 million plus the cash of Vidara and its subsidiaries on the closing date, less any indebtedness of Vidara that Horizon pays at the closing or that otherwise remains unpaid as of the closing and less Vidara s unpaid transaction expenses as of the closing and plus or minus an adjustment to the extent that Vidara s and its subsidiaries working capital is more or less than the target working capital of $123,000. At the closing, $2,750,000 of the cash consideration payable to Vidara Holdings will be withheld and deposited into an escrow account established under a temporary escrow agreement in accordance with the terms of that agreement.

At the closing, Horizon shall pay to Vidara Holdings a portion of the estimated cash consideration as consideration for the sale of Vidara U.S. to U.S. HoldCo and a portion of the estimated cash consideration in consideration of the redemption of bonus shares of Vidara. Subsequent to the closing, the estimated cash consideration may be adjusted if actual amounts are different from the good faith estimated amounts. No later than 120 days after closing, New Horizon will prepare and deliver to Vidara Holdings a closing date statement of the closing cash, working capital, closing indebtedness and transaction expenses with a calculation of the final cash consideration. Vidara Holdings and its representatives have a right to access the books and records of New Horizon to review the closing date statement. Within 30 days of its receipt of the closing date statement, Vidara Holdings will inform Horizon if it has any objections to the closing date statement. Horizon and Vidara Holdings have designated a third-party accounting firm to resolve any disputed items in the closing date statement. Once the closing date statement is finalized, if the estimated cash consideration exceeds the final cash consideration, Horizon will be paid the difference in cash from the escrow account. If the final cash consideration exceeds the estimated cash consideration, Horizon will pay Vidara Holdings the difference in cash. Once these payments are made, the remaining funds in the escrow account, if any, will be released to Vidara Holdings.

Treatment of Horizon Stock Options and Other Equity-Based Awards

Each outstanding option to purchase shares of Horizon common stock under the Horizon equity incentive plans, whether vested or unvested, will be converted into an option to acquire the same number of New Horizon ordinary shares, on substantially the same terms and conditions (including exercise price) as were applicable under such option before the effective time. At the effective time, New Horizon will assume all Horizon benefit plans.

Each other equity award that is outstanding as of immediately prior to the effective time under the Horizon equity incentive plans will be converted into a right to receive, on substantially the same terms and conditions as were applicable under such equity award before the effective time, the number of New Horizon ordinary shares equal to the

number of shares of Horizon s common stock subject to such equity award immediately prior to the effective time, subject to Section 409A of the Code, other treasury regulations and Irish law as applicable. The

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other equity awards expected to be outstanding as of immediately prior to the effective time are purchase rights under ongoing offerings under the Horizon 2011 Employee Stock Purchase Plan and restricted stock units issued under the Horizon equity plans.

Treatment of Horizon Warrants

Each warrant to acquire Horizon s common stock outstanding as of immediately prior to the effective time will be converted into a warrant to acquire, on substantially the same terms and conditions as were applicable under such warrant before the effective time, the number of New Horizon ordinary shares equal to the number of shares of Horizon s common stock subject to such warrant immediately prior to the effective time, at an exercise price per New Horizon ordinary share equal to the exercise price per share of Horizon s common stock otherwise purchasable pursuant to such warrant. Please also see *Description of New Horizon Warrants*.

Governing Documents Following the Merger

Surviving Corporation. The certificate of incorporation and by-laws of Merger Sub in effect immediately prior to the effective time will be the certificate of incorporation and by-laws of the surviving corporation as of the effective time, until amended in accordance with applicable law.

New Horizon. Vidara and Horizon have agreed to take, or cause to be taken, such actions as are necessary so that, as of the effective time of the Merger, the New Horizon memorandum and articles of association shall be substantially in the form as set forth in Annex C to this proxy statement/prospectus.

Exchange of Stock Certificates Following the Merger

Vidara will engage an institution acceptable to Horizon to act as exchange agent for the Merger, which is referred to in this proxy statement/prospectus as the exchange agent.

As soon as reasonably practicable after the effective time, and in any event within ten business days after the effective time, the exchange agent will mail to each holder of record of a certificate for shares of Horizon common stock and each holder of record of non-certificated outstanding shares of Horizon common stock, which are referred to in this proxy statement/prospectus as book-entry shares, a letter of transmittal and instructions for effecting the surrender of those certificates or book-entry shares in exchange for certificates representing the appropriate number of New Horizon ordinary shares as provided by the Merger Agreement.

Horizon stockholders should not return their certificates with the enclosed proxy card. Stock certificates should be returned with a letter of transmittal that will be sent to Horizon stockholders following the effective time as described above, validly executed in accordance with the instructions you will receive.

Upon surrender of a duly executed letter of transmittal and a certificate representing shares of Horizon common stock or a book-entry share of Horizon common stock, the holder of such certificate or book-entry share will be entitled to receive such number of New Horizon ordinary shares equal to the number of shares of Horizon common stock represented by such certificate or book-entry share. No interest will be paid or accrued on any amount payable upon surrender of certificates or book-entry shares representing shares of Horizon common stock. New Horizon and the exchange agent will be entitled to deduct and withhold from any amount payable as consideration to stockholders such amounts as required with respect to making any payment for taxes, and such amounts withheld will be treated as having been paid to such stockholder.

After the effective time, the stock transfer books of Horizon will be closed and there will be no further registration of transfers on the stock transfer books of Horizon. If, after the effective time, certificates

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representing shares of Horizon common stock or book-entry shares of Horizon common stock are presented to Horizon or the exchange agent, they will be canceled and exchanged as provided above. If a certificate representing shares of Horizon common stock has been lost, stolen or destroyed, the exchange agent shall issue to such stockholder the consideration described above in respect of the shares of Horizon common stock represented by such certificate only upon such stockholder complying with the exchange agent s requirements regarding the loss, theft or destruction, and, if required by New Horizon, an indemnification agreement in form reasonably satisfactory to New Horizon, or a bond in such sum as New Horizon may reasonably direct as indemnity, against any claim that may be made against New Horizon or the exchange agent in respect of the certificate alleged to have been lost, stolen or destroyed.

Any portion of the consideration deposited with the exchange agent that has not been transferred to the holders of certificates representing shares of Horizon common stock or of book-entry shares of Horizon common stock as of the one year anniversary of the effective time shall be delivered, upon demand, to New Horizon or its designee and the remaining New Horizon ordinary shares included in such consideration shall be sold at the best price reasonably obtainable at that time. Any former holder of Horizon common stock who has not complied with the exchange procedures described above prior to such time shall thereafter look only to New Horizon as a general creditor (and without any interest thereon) for payment of such holder s portion of the cash proceeds of the sale of the New Horizon ordinary shares.

Representations and Warranties

Vidara Holdings and Horizon each made customary representations and warranties in the Merger Agreement relating to themselves and their respective subsidiaries that are subject, in some cases, to specified exceptions and qualifications contained in the Merger Agreement (including qualifications by concepts of knowledge, materiality and/or dollar thresholds) and are further modified and limited by confidential disclosure schedules provided by Vidara Holdings to Horizon and by Horizon to Vidara Holdings. The representations and warranties made by Horizon are also subject to and qualified by certain information included in Horizon s filings made with the SEC.

The representations and warranties made by Vidara Holdings relate to, among other things, the following subject matters:

- corporate organization and similar corporate matters, including the qualification to do business under applicable law, corporate standing and corporate power of Vidara Holdings, Vidara and each of its subsidiaries;
- the capital structure and equity securities of Vidara and its subsidiaries;
- the authority of Vidara Holdings and Vidara to enter into the Merger Agreement and related agreements, including a registration rights agreement, voting agreements, an escrow agreement, a confidentiality agreement, and all other agreements or contracts to be delivered in connection with the transactions contemplated by the Merger Agreement, and to consummate the transactions contemplated by the Merger Agreement and the related agreements; and due execution, delivery and performance of the Merger Agreement and the related agreements;

the absence of any violation of charter documents, material contracts or any applicable laws as a result of the Merger and other transactions contemplated by the Merger Agreement;

certain financial statements and internal accounting controls;

the absence of certain liabilities;

title to properties, leasehold interests and absence of liens;

intellectual property;

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material contracts, including the absence of violation or breach in any material respect of each such contract;

insurance;

employee benefit plans;

taxes;

legal proceedings;

compliance with laws and permits;

environmental matters;

the absence of certain changes and events since December 31, 2013;

labor relations and compliance;

leases of real property;

the absence of undisclosed brokerage or finder s fees;

compliance with certain anti-corruption laws;

compliance with certain regulatory matters;

transactions with affiliates;

the ownership of entities formed in connection with the Merger; and

limitations on representations and warranties.

The representations and warranties made by Horizon relate to, among other things, the following subject matters:

corporate organization and similar corporate matters, including the qualification to do business under applicable law, corporate standing and corporate power;

the capital structure and equity securities of Horizon and its subsidiaries;

the authority of Horizon to enter into the Merger Agreement and related agreements, including an escrow agreement, a confidentiality agreement, and all other agreements or contracts to be delivered in connection with the transactions contemplated by the Merger Agreement, and to consummate the transactions contemplated by the Merger Agreement and the related agreements; and due execution, delivery and performance of the Merger Agreement and the related agreements;

the absence of any violation of charter documents, material contracts or any applicable laws as a result of the Merger and other transactions contemplated by the Merger Agreement;

SEC filings, including certain financial statements contained in such filings;

disclosure controls and procedures and internal controls over financial reporting;

absence of certain liabilities;

intellectual property;

material contracts, including the absence of violation or breach in any material respect of each such contract;

insurance;

employee benefit plans;

taxes;

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legal proceedings;

compliance with laws;

environmental matters;

the absence of a material adverse effect since January 1, 2013;

the absence of undisclosed brokerage or finder s fees;

the opinion of Horizon s financial advisor;

approval of the Merger Agreement and the Merger by Horizon s board of directors;

the vote of Horizon stockholders required to approve the adoption of the Merger Agreement and approve the Merger;

compliance with certain anti-corruption laws;

a commitment letter for debt financing in an aggregate principal amount of up to $250,000,000; and

limitations on representations and warranties.

Under the terms of the Merger Agreement, the parties agreed that except for the representations and warranties expressly contained in the Merger Agreement and in their respective officer certificates, neither party made any representation or warranty. Horizon and Vidara Holdings each acknowledge that they made their own investigation of the other party and are not relying on any implied warranties or upon any representation or warranty as to the prospects (financial or otherwise) or the viability or likelihood of success of the continued operation of the business of the other party as conducted after the closing of the Merger as contained in any materials provided by the other party or parties.

Material Adverse Effect

Several of the representations, warranties, covenants and closing conditions contained in the Merger Agreement refer to the concept of a material adverse effect.

For purposes of the Merger Agreement, a material adverse effect with respect to Vidara or Horizon means any change, event or occurrence that has, or that would reasonably be expected to have, a material adverse effect on (1) the business, assets, financial condition or results of operations of the subject company and its subsidiaries, taken as a

whole, or (2) the ability of the subject company to perform, in a timely manner, any of its material covenants or material obligations required to be performed at or prior to the effective time under the Merger Agreement or any related agreement or to consummate the transactions contemplated by the Merger Agreement; provided, that in determining whether there has been a material adverse effect under clause (1) above, any change, event or occurrence principally attributable to, arising out of, or resulting from any of the following shall be disregarded except in some cases to the extent such change, event or occurrence has a disproportionate effect on the subject company or its subsidiaries, taken as a whole, compared to other participants in the industries in which the subject company conducts its business:

general economic, business, industry or credit, financial or capital market conditions (whether in the United States or internationally), including conditions affecting generally the industries served by the subject company and its subsidiaries;

the taking of any action specifically required by the Merger Agreement or any related agreement;

the announcement of the Merger Agreement or pendency of the Merger;

the taking of any action with the written approval of the other party;

pandemics, earthquakes, tornados, hurricanes, floods and acts of God;

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acts of war (whether declared or not declared), sabotage, terrorism, military actions or the escalation thereof;

any changes in applicable laws, regulations or accounting rules, including GAAP or interpretations thereof, or any changes in the interpretation or enforcement of any of the foregoing; or

the failure by the subject company or any of its subsidiaries to meet any projections, estimates or budgets for any period prior to, on or after the date of the Merger Agreement (provided that the facts giving rise or contributing to any such failure may be deemed to constitute, or be taken into account in determining whether there has been, a material adverse effect).

Covenants

Vidara Holdings Interim Operating Covenants

Vidara Holdings has undertaken customary covenants in the Merger Agreement relating to the conduct of Vidara s business prior to the completion of the Merger or the earlier termination of the Merger Agreement. In general, subject to exceptions specified in the Merger Agreement or set forth in the confidential disclosure schedules provided by Vidara Holdings to Horizon, Vidara Holdings has agreed with respect to Vidara and its subsidiaries that, among other things:

each of Vidara and its subsidiaries will work with Horizon in good faith to renew or renegotiate certain real property leases or to locate suitable replacement real estate for the operations currently conducted in such locations;

each of Vidara and its subsidiaries will operate their businesses in the ordinary course and substantially in accordance with past practices; and

each of Vidara and its subsidiaries will not do any of the following:

issue, deliver, grant, sell, pledge, dispose of or encumber, or authorize the issuance, delivery, grant, sale, pledge, disposition or encumbrance of, any shares of its capital stock, voting securities or other equity interests or any securities convertible into or exchangeable for any such shares, voting securities or equity interest, or any rights, warrants or options to acquire any such shares of capital stock, voting securities or equity interest or any phantom stock, phantom stock rights, stock appreciation rights or stock based performance units, except for cash distributions or dividends to Vidara or any of its subsidiaries in the ordinary course of business;

except for cash distributions to Vidara or a subsidiary of Vidara, declare, set aside or make any payment, dividend or distribution of cash or other property to any of its equityholders with respect to its equity securities, or purchase, redeem or otherwise acquire, directly or indirectly, other than in connection with the reorganization, any of its equity securities;

materially and adversely modify or terminate any material contract;

sell, assign, transfer, convey, lease, mortgage, pledge, encumber, impair or otherwise dispose of, or create, incur, assume or cause to be subjected to any lien on, any material assets or properties of Vidara or its subsidiaries, subject to certain exceptions;

except as required by law or any applicable benefit plan existing on the date of the Merger Agreement, (i) grant any bonus or any severance or termination pay to any service provider of the Vidara companies (other than pursuant to policies or agreements already in effect on the date of the Merger Agreement); (ii) voluntarily make any change in the key management structure of Vidara or its subsidiaries; (iii), adopt, enter into or amend any benefit plan of Vidara ; (iv) make any new grant or award, or vest, accelerate or otherwise amend any existing grant, benefit or award, under any benefit plan of Vidara; (v) increase the compensation payable to any service provider of the Vidara companies; or (vi) enter into or forgive any loan to a service provider of the Vidara companies;

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acquire by merger or consolidation with, or merge or consolidate with, or purchase substantially all of the assets of, any corporation, partnership, association, joint venture or other business organization or division thereof;

make any loans or advances to any person, except for advances to employees or officers of any of Vidara or its subsidiaries for expenses incurred in the ordinary course of business;

(i) make or change any tax election, (ii) amend any tax return or (iii) enter into any closing agreement, settle any tax claim or assessment, surrender any right to claim a refund of taxes, or consent to any extension or waiver of the limitation period applicable to any tax claim or assessment relating to Vidara and its subsidiaries (other than actions done in the ordinary course of business) if such election, adoption, change, amendment, agreement, settlement, surrender, consent or other action would have the effect of increasing the tax liability of Horizon or Vidara and its subsidiaries for any period ending after the closing date or decreasing any tax attribute of Horizon or Vidara and its subsidiaries existing on the closing date;

adopt a plan of complete or partial liquidation, dissolution or recapitalization or effect any recapitalization, reclassification, stock split, reverse stock split or like change in its capitalization, other than as required in connection with the reorganization;

abandon or permit the lapse of any of its intellectual property;

incur, modify, assume or guarantee any interest bearing indebtedness, or issue any debt securities or any warrants or rights to acquire any debt security;

delay or postpone the payment of any accounts payable or commissions or any other liability or obligation, or agree or negotiate with any third party to extend the payment date of any accounts payable or commissions or any other liability or obligation, or accelerate the collection of any accounts or notes receivable, other than in the ordinary course of business;

take any action (or fail to take any action) with the primary purpose of accelerating sales to the period that is prior to the closing of the Merger that would otherwise occur after the closing of the Merger;

make any change in any method of accounting or accounting policies or make any write-down in the value of its inventory, except as required by applicable law;

create or permit the creation of any lien on any of the assets Vidara or its subsidiaries, other than certain permitted liens;

enter into any contract pursuant to which Vidara or its subsidiaries may become obligated to make any severance, termination or similar payment, or any bonus or similar payment, to any employee, current or former independent contractor, consultant or director of Vidara or its subsidiaries;

adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization, or enter into any agreement or exercise any discretion providing for acceleration of payment or performance as a result of a change of control;

terminate any employee other than for cause, or hire any employee, in either case, whose annual base compensation exceeds or would exceed $175,000;

make any capital expenditure which (i) involves the purchase of real property or (ii) is in excess of $100,000 individually or $200,000 in the aggregate during any fiscal quarter;

cancel or compromise any material claim, waive or release any material right, settle or agree to settle any action to which it is a party, or initiate or commence any action (other than any action to enforce the terms of the Merger Agreement);

sell, assign, transfer or license to any third party any of its intellectual property, other than non-exclusive licenses entered into in the ordinary course of business;

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enter into a contract which would have been a material contract of Vidara had such contract been entered into prior to the date of the Merger Agreement;

take any action that is reasonably expected to materially and adversely affect, or materially impede or impair, the ability of the parties to the Merger Agreement, or any of the parties to any related agreement, to consummate the transactions contemplated by the Merger Agreement and related agreements;

change, amend or modify the organizational documents of Vidara or any of its subsidiaries, except as required by law;

purchase, acquire or bind any directors and officers liability insurance policy or policies with annual premiums in excess of $300,000 in the aggregate; or

enter into any agreement, or otherwise become obligated, to do any action prohibited under the covenants set forth in the Merger Agreement.

Horizon Interim Operating Covenants

Horizon has undertaken customary covenants in the Merger Agreement relating to the conduct of its business prior to the completion of the Merger or the earlier termination of the Merger Agreement. In general, subject to certain exceptions specified in the Merger Agreement or set forth in the confidential disclosure schedules provided by Horizon to Vidara Holdings, Horizon has agreed that, among other things:

Horizon and its subsidiaries will operate their businesses in the ordinary course and substantially in accordance with past practices; and

Horizon and its subsidiaries will not do any of the following:

authorize or pay any dividends on or make any distribution with respect to its outstanding shares of capital stock (whether in cash, assets, stock or other securities of Horizon or its subsidiaries), except dividends and distributions paid or made on a pro rata basis by Horizon s subsidiaries;

subject to certain exceptions, issue, deliver, grant, sell, pledge, dispose of or encumber, or authorize the issuance, delivery, grant, sale, pledge, disposition or encumbrance of, any shares of its capital stock, voting securities or other equity interest in Horizon or any of its subsidiaries or any securities convertible into or exchangeable for any such shares, voting securities or equity interest, or any rights, warrants or options to acquire any such shares of capital stock, voting securities or equity interest or any phantom stock, phantom stock rights, stock appreciation rights or stock based performance units (except as otherwise provided by the terms of any options outstanding on the date of the Merger

Agreement);

split, combine or reclassify any of its issued capital stock, other than pursuant to transactions by a wholly owned subsidiary of Horizon which remains a wholly owned subsidiary after consummation of such transaction;

amend its organizational documents in any manner that would materially delay or otherwise adversely affect the consummation of the transactions contemplated by the Merger Agreement;

take any action that is reasonably expected to materially and adversely affect, impede or impair the ability of the parties to the Merger Agreement or any related agreement to consummate the transactions contemplated by the Merger Agreement or any related agreement; or

agree to take any of the actions listed above.

Board Recommendation; Horizon Stockholder Meeting

The Horizon board of directors has adopted resolutions approving the Merger Agreement, recommending that the holders of Horizon common stock vote to adopt the Merger Agreement and approve the Merger and directing that the Merger Agreement and Merger be submitted to a vote of the Horizon stockholders. In

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furtherance thereof and subject to the requirements of applicable law, Horizon has agreed to take all action necessary to convene a meeting of the Horizon stockholders, at which the Horizon stockholders will consider the adoption of the Merger Agreement and approval of the Merger, as promptly as practicable after the registration statement on Form S-4 of which this proxy statement/prospectus is a part, is declared effective, provided however, that Horizon may conduct the Special Meeting of Horizon stockholders as the required meeting. Except as required by law, Horizon shall not adjourn or postpone the stockholder meeting after the filing of the registration statement without the consent of Vidara Holdings; provided, however, that Horizon may, without the consent of Vidara Holdings, adjourn or postpone the stockholder meeting (i) to the extent reasonably necessary to ensure that any required supplement or amendment to this proxy statement/prospectus is provided to the Horizon stockholders or to permit dissemination of information which is material to stockholders voting at the Horizon stockholder meeting, but only for so long as the board of directors of Horizon determines in good faith, after having consulted with outside counsel, that such action is reasonably necessary or advisable to give the Horizon stockholders sufficient time to evaluate any such disclosure or information so provided or disseminated, or (ii) if, as of the time the Horizon stockholder meeting is scheduled, there are insufficient shares of Horizon stock represented (either in person or by proxy) (A) to constitute a quorum necessary to conduct the business of the Horizon stockholder meeting, but only until a meeting can be held at which there are a sufficient number of Horizon shares represented to constitute a quorum or (B) voting for the approval of Horizon stockholders, but only until a meeting can be held at which there are a sufficient number of votes of holders of Horizon stock to obtain the approval of Horizon stockholders.

Horizon is required, prior to the Horizon stockholders meeting, to keep Vidara Holdings reasonably informed in the two weeks prior to the Horizon stockholders meeting of the number of proxy votes received in respect of matters to be acted upon at the Horizon stockholders meeting, and in any event shall provide such number promptly upon the reasonable request of Holdings or its representatives.

Under the Merger Agreement, subject to the exceptions discussed in *No Solicitation of Alternative Proposals by Horizon; Change of Recommendation* below, the Horizon board of directors has agreed to recommend that the Horizon stockholders vote in favor of the adoption of the Merger Agreement and the approval of the Merger.

No Solicitation of Alternative Proposals by Vidara Holdings or Vidara

Vidara Holdings has agreed that it and Vidara will not, and none of their subsidiaries will, directly or indirectly, through any of their representatives or otherwise:

- solicit, initiate or knowingly encourage any inquiry with respect to, or the making or submission of, any offer for (i) the acquisition of Vidara Holdings, Vidara or its subsidiaries by scheme of arrangement, takeover offer or other business combination transaction; (ii) the acquisition, lease or license by any person of any assets or businesses that constitute or contribute 25% or more of the consolidated revenue, net income or assets of Vidara and its subsidiaries; (iii) the acquisition by any person of any of the outstanding equity securities of Vidara Holdings, Vidara or its subsidiaries; or (iv) any merger, business combination, consolidation, share exchange, recapitalization or similar transaction involving Vidara Holdings, Vidara or its subsidiaries; for purposes of this proxy statement/prospectus, each such offer shall be referred to as a Vidara alternative proposal ;

- participate in any discussions or negotiations regarding a Vidara alternative proposal with, or furnish any non-public information of Vidara Holdings or Vidara to, any person that has made or is considering making

a Vidara alternative proposal, except to notify such person as to the existence of this covenant;

approve, endorse or recommend any Vidara alternative proposal or enter into any contract or agreement with any other person in respect of any such alternative proposal; or

waive, terminate, modify or fail to use commercially reasonable efforts to enforce any provision of any standstill or similar obligation of any person with respect to Vidara Holdings or Vidara.

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Vidara Holdings has further agreed that it and Vidara will, and will cause their respective representatives to, immediately cease any existing activities, discussions and negotiations with any person with respect to any of the foregoing and will request the prompt return or destruction of all confidential information previously furnished in connection therewith.

Under the Merger Agreement, Vidara Holdings has agreed to promptly (but in any event within 36 hours) notify Horizon orally and in writing of the receipt of any Vidara alternative proposal or any communication or proposal that could reasonably be expected to lead to any such alternative proposal and, to the extent requested by Horizon, shall indicate the material terms and conditions of such alternative proposal and the identity of the person making any such alternative proposal.

No Solicitation of Alternative Proposals by Horizon; Change of Recommendation

Horizon has agreed that neither it nor any of its subsidiaries will directly or indirectly, through any of their representatives or otherwise:

- solicit, initiate or knowingly encourage any inquiry with respect to, or the making or submission of, any *bona fide* proposal or offer for (i) the acquisition of Horizon by merger, tender offer or other business combination transaction; (ii) the acquisition, lease or license of any assets or businesses that constitute or contribute 25% or more of Horizon s and its subsidiaries consolidated revenue, net income or assets; or (iii) any other merger, business combination, consolidation, share exchange, recapitalization or similar transaction involving Horizon as a result of which the holders of Horizon shares immediately prior to such transaction do not, in the aggregate, own at least 75% of the outstanding voting power of the surviving or resulting entity in such transaction immediately after consummation thereof, in each case, provided that the consummation of the transactions contemplated by such proposal or offer are conditioned on the termination of the Merger and related transactions; for the purposes of this proxy statement/prospectus, each such proposal or offer shall be referred to as a Horizon alternative proposal ;

- participate in any discussions or negotiations regarding a Horizon alternative proposal with, or furnish any nonpublic information of Horizon to, any person that has made or is considering making a Horizon alternative proposal, except to notify such person as to the existence of this covenant;

- approve, endorse, or recommend any Horizon alternative proposal or enter into any contract or agreement with any other person in respect of any such alternative proposal; or

- waive, terminate, modify or fail to use commercially reasonable efforts to enforce any provision of any standstill or similar obligation of any person with respect to Horizon or any of its subsidiaries.

Horizon has further agreed that it and its subsidiaries will, and will cause their respective representatives to, immediately cease any existing activities, discussions and negotiations with any person with respect to any of the foregoing and will request the prompt return or destruction of all confidential information previously furnished in connection therewith. Under the Merger Agreement, Horizon has agreed to promptly (but in any event within 36 hours) notify Holdings orally and in writing of the receipt of any Horizon alternative proposal or any communication or proposal that could reasonably be expected to lead to any such alternative proposal and, to the extent requested by

Holdings, shall indicate the material terms and conditions of such alternative proposal and the identity of the person making any such alternative proposal.

Notwithstanding the foregoing, Horizon may take the following actions if Horizon receives a *bona fide* unsolicited written Horizon alternative proposal after the date of the Merger Agreement that did not result from a breach of the non-solicitation covenants described above, and the Horizon board of directors determines in good faith that the failure to take such actions would reasonably constitute a breach of the directors fiduciary duties under applicable law:

furnish non-public information to the third party making or intending to make such alternative proposal (provided that all such information is, or has previously been, provided to Vidara Holdings), if, and

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only if, prior to furnishing such information, Horizon receives from the third party an executed confidentiality agreement on terms that are not less restrictive than those set forth in the confidentiality agreement with Vidara Holdings; or

engage in discussions or negotiations with the third party making or intending to make such Horizon alternative proposal,

provided that prior to taking the actions described above, the Horizon board of directors shall have determined that such Horizon alternative proposal either constitutes, or could reasonably be expected to lead to, a superior proposal.

Pursuant to the Merger Agreement, Horizon s board of directors cannot (i) withhold, withdraw or modify in any manner adverse to Vidara Holdings its recommendation to the Horizon stockholders to approve the Merger or (ii) approve, recommend, adopt, or otherwise declare advisable any Horizon alternative proposal, or (iii) cause or allow Horizon or any of its subsidiaries to execute or enter into any letter of intent, merger agreement, transaction agreement or other agreement constituting or with respect to any Horizon alternative proposal, unless, prior to receiving stockholder approval, the Horizon board of directors has concluded in good faith (A) that such alternative proposal constitutes a superior proposal and (B) that the failure to change its recommendation to the Horizon stockholders would reasonably constitute a breach of the directors fiduciary duties under applicable law; provided that in connection with a Horizon alternative proposal, Horizon has given Vidara Holdings at least three business days notice in advance of the intended change in recommendation to negotiate changes to the Merger Agreement so that the Horizon alternative proposal would no longer be a superior proposal.

Other than in connection with a Horizon alternative proposal, the Horizon board of directors may change its recommendation to the Horizon stockholders in response to any change in circumstances with respect to Horizon that were not known or reasonably foreseen by Horizon prior to the date of the Merger Agreement, provided that (A) Horizon has given Vidara Holdings at least five business days notice in advance of the intended change in recommendation to negotiate changes to the Merger Agreement and has negotiated in good faith to amend the Merger Agreement so that the change in circumstance would no longer necessitate a change in recommendation, and (B) the failure to change its recommendation to the Horizon stockholders would reasonably constitute a breach of the directors fiduciary duties under applicable law. A change of circumstances is defined as a material event, development or material change of circumstances with respect to Horizon that does not relate to a Horizon alternative proposal, any events, developments or changes in circumstances relating to Vidara Holdings or Vidara and its subsidiaries or changes after the date of the Merger Agreement in the market price or trading volume of Horizon common stock (however, the underlying reasons for the changes in market price or trading volume may constitute a change in circumstances).

Financing; Repayment of Vidara Indebtedness; Convertible Notes

Under the Merger Agreement, Horizon is obligated to use reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or advisable to consummate the $250 million financing contemplated by the commitment letter described in *Other Related Agreement Commitment Letter* including (i) maintaining in effect the commitment letter and (ii) satisfying on a timely basis all of the conditions precedent set forth in the commitment letter. Horizon has the right to amend, restate, replace, supplement or otherwise modify, or waive any of its rights under, the commitment letter and/or substitute other debt financing for all or any portion of the financing from the same and/or alternative debt financing sources; provided, that any such (i) amendment, restatement, supplement, replacement or other modification to or waiver of any provision of the commitment letter or (ii) alternative financing, shall not, without the prior written consent of Vidara Holdings, (A) reduce the aggregate amount of the financing (including by increasing the amount of fees to be paid or original issue discount, unless the

financing is increased by a corresponding amount on substantially the same terms as provided in the applicable commitment letter) to be funded at closing, (B) impose new or additional conditions precedent or contingencies to the financing as set forth in the commitment letter or otherwise amend, modify, or expand any conditions precedent to the funding of the financing (unless such

conditions precedent or contingencies to the alternative financing would not be reasonably expected to (x) prevent or delay in any material respect the closing, or (y) adversely affect, impede or impair in any material respect the ability of Horizon to consummate the transactions, (C) release or consent to the termination of the obligations of the lenders under the commitment letter (except for assignments and replacements of an individual lender under the terms of or in connection with the syndication of the alternative financing or as otherwise expressly contemplated by the applicable commitment letter), or (D) otherwise amend, restate, supplement, replace or modify any commitment letter in a manner that would reasonably be expected to prevent or delay in any material respect the ability of the Horizon to consummate the Merger.

If any portion of the financing becomes unavailable on the terms and conditions contemplated in the commitment letter and as a result Horizon would reasonably be expected to not have sufficient funds to pay the estimated cash consideration and any other amounts required to be paid by Horizon in connection with the consummation of the transactions contemplated hereby, Horizon is obligated to use reasonable best efforts to obtain any such portion from alternative debt sources as promptly as practicable following the occurrence of such event in an amount that will still enable Horizon to pay the estimated cash consideration and any other amounts required to be paid by Horizon in connection with the consummation of the transactions contemplated hereby.

The Merger Agreement requires Vidara Holdings to use and cause Vidara and its affiliates to use reasonable best efforts to cooperate with Horizon (and use reasonable best efforts to cause the independent accounting firm and other advisers retained by Vidara and its affiliates to cooperate with Horizon) in connection with the financing.

Horizon agrees to indemnify and hold harmless Vidara Holdings, Vidara and its subsidiaries and affiliates and their respective members, directors, officers, employees, attorneys, accountants and other advisors or representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest, awards, judgments and penalties suffered or incurred by them in connection with the arrangement of the financing, other than to the extent any of the foregoing arise from the willful misconduct or gross negligence of Vidara or its or their respective directors, officers, employees, attorneys, accountants or other advisors or representatives.

With respect to any outstanding indebtedness of Vidara and its affiliates as set forth in the disclosure schedules, Vidara Holdings is obligated to deliver all notices and take other actions required to facilitate the termination of commitments in respect to all such indebtedness, the repayment in full of all obligations in respect of such indebtedness and the release of any liens and guarantees in connection with such indebtedness on the closing date, including a delivery of payoff notices.

Vidara and Vidara Holdings also are obligated to cooperate with Horizon to (i) have New Horizon enter into, a supplemental indenture to the convertible notes indenture for the 5.00% Convertible Notes prior to or at the effective time, which supplemental indenture shall comply with the requirements specified in Section 14.07 of the 5.00% Convertible Notes Indenture (such supplemental indenture, the Supplemental Indenture), and (ii) effect the delivery of officers certificates and opinions of counsel required to be delivered by counsel to Vidara under the convertible notes indenture or otherwise requested by the trustee under the 5.00% Convertible Notes Indenture.

Rule 16b-3

Under the Merger Agreement, Vidara and Horizon each agree to take all steps as may be reasonably requested by any party to cause dispositions of Horizon s equity securities (including derivative securities) pursuant to the transactions by each individual who is a director or officer of Horizon to be exempt under Rule 16b-3 promulgated under the Exchange Act in accordance with that certain No-Action Letter dated January 12, 1999 issued by the SEC regarding such matters.

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Additional Covenants

The Merger Agreement contains certain other covenants, including covenants relating to cooperation between Vidara Holdings, Vidara and Horizon in the preparation of this proxy statement/prospectus, other filings to be made with the SEC and other governmental filings, obtaining consents, access to information and facilities, notifications, confidentiality and performing their respective obligations regarding public announcements. Vidara Holdings and Horizon have further agreed, as applicable, to the following additional covenants and agreements in the Merger Agreement, among others:

Horizon and Vidara will provide one another with reasonable access to their and their subsidiaries respective officers, employees, offices, facilities, books and records, subject to certain limitations;

for 18 months following any termination of the Merger Agreement, Horizon and Vidara will not hire or solicit any employee of the other party or its subsidiaries, encourage any such employee to leave such employment or hire any such employee who voluntarily left such employment within six months following voluntary termination, subject to certain exceptions;

Vidara Holdings and Vidara and their respective subsidiaries will use their reasonable best efforts to take the necessary steps to effect the reorganization, and Horizon and its subsidiaries will use their reasonable best efforts to cooperate with Vidara Holdings and Vidara and will take such steps as are required of Horizon to effect the reorganization, including paying all filing fees, costs and similar expenses associated with effecting the reorganization;

prior to the closing of the Merger, Vidara and its subsidiaries will take such steps as requested by Horizon to provide for the governance of Vidara from and after the effective time of the Merger, including to: (i) form appropriate committees of the board of directors; (ii) nominate and cause to be elected such directors as required to comply with the listing requirements of NASDAQ and other laws; (iii) appoint Horizon designees to any committee of the board of directors of Vidara; (iv) adopt and approve committee charters, codes of conduct or other guidelines; (v) adopt and approve employee benefit plans; and (vi) take such other corporate actions and adopt such other resolutions of the board of directors and shareholders of Vidara as Horizon may reasonably request;

prior to the closing, Vidara Holdings will submit to Vidara Holdings members for approval in a manner that complies with the approval requirements of Section 280G(b)(5)(B) of the Code and the regulations thereunder and is satisfactory to Horizon, any payments and/or benefits payable to Vidara directors, officers or employees that separately or in the aggregate, could be deemed to constitute parachute payments (within the meaning of Section 280G of the Code and the regulations promulgated thereunder) for which an executed a waiver of payments and/or benefits was as obtained or for which no waiver is necessary.

Horizon, Vidara Holdings and Vidara shall use their reasonable best efforts to satisfy all closing conditions set forth in the Merger Agreement and to obtain any consent and provide any notice as required by applicable law, contract or otherwise;

Horizon and Vidara Holdings shall make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by the Merger Agreement within 10 business days of the date of the Merger Agreement and shall cooperate with one another in taking all other actions necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act as soon as practicable (early termination of the waiting period under the HSR Act was granted effective April 11, 2014) and to obtain all requisite authorizations and approvals under other antitrust laws;

for a period of seven years after the closing date of the Merger, Vidara shall preserve its corporate, accounting, legal, auditing, human resources, tax and other records relating to the conduct of its business prior to the closing of the Merger, and Horizon and Vidara shall grant Vidara Holdings reasonable access to such records, subject to certain limitations;

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subject to certain exceptions, the parties will consult together as to the terms of, the timing of and the manner of publication of any formal public announcement which any party may make primarily regarding the Merger or the Merger Agreement;

each of Horizon and Vidara shall use its reasonable best efforts to cause the New Horizon ordinary shares to be issued pursuant to the Merger and the Vidara ordinary shares held by Holdings immediately prior to the effective time to be approved for listing on NASDAQ.

Horizon and Vidara Holdings have agreed to certain covenants regarding tax matters, including the following:

Vidara Holdings will prepare and file all tax returns required to be filed by Vidara or its subsidiaries prior to the closing date of the Merger, and Horizon and Vidara will prepare and file (with input from Holdings) all tax returns required to be filed by Vidara or its subsidiaries on or after the closing date of the Merger with respect to any pre-closing tax period or straddle period;

neither Vidara nor any of its Subsidiaries will, unless required by applicable law with respect to any pre-closing tax period, retroactively apply any changes, amendments or alterations in the tax positions or elections taken by Vidara Holdings or Vidara or its subsidiaries in any manner that would result in a breach of any of Vidara Holdings representations or warranties contained in the Merger Agreement;

from the closing date of the Merger through December 31, 2014, Horizon shall not allow any legacy company affiliated with Vidara to: (i) acquire or in-license any intangible property rights or products that may result in the accrual of any earnings and profits by a legacy company in the fiscal year ending December 31, 2014; (ii) raise the price of any product; (iii) license or sell any intangible property to any party that may result in the accrual of any earnings and profits by a legacy company in the fiscal year ending December 31, 2014, or (iv) enter into any other transaction or engage in any other business outside such company s ordinary course of business;

the parties intend and agree to treat the Merger as a taxable acquisition of Horizon; and

all transfer, documentary, sales, use, stamp, registration and other such taxes, and all conveyance fees, recording charges and other fees and charges incurred in connection with the consummation of the transactions contemplated by the Merger Agreement shall be borne by Horizon.

With respect to other filings to be made with the SEC, Horizon and Vidara have agreed to the following covenants, among others, regarding such filings:

Horizon and Vidara shall cooperate and prepare a preliminary form of the proxy statement to be sent to the Horizon stockholders in connection with the Horizon stockholder meeting and a registration statement on

S-4 registering the Vidara ordinary shares to be issued pursuant to the Merger Agreement, each of which will be filed with the SEC;

prior to the initial filing of the registration statement on S-4, Vidara shall enter into a registration rights agreement with Vidara Holdings and certain members of Vidara Holdings;

as promptly as practicable after the initial filing of the registration statement on S-4, Vidara and Horizon shall cooperate and prepare and file with the SEC a resale registration statement registering the resale by Vidara Holdings (or the members of Vidara Holdings) of any registrable securities held by Vidara Holdings (or the members of Vidara Holdings) following the closing of the Merger and prior to the submission of a letter requesting that the effectiveness of the resale registration statement be accelerated, or if such resale registration statement is filed pursuant to Rule 462(e) under the Securities Act, the filing of such registration statement, including by virtue of the distribution of Vidara ordinary shares by Vidara Holdings to the members of Vidara Holdings after the closing of the Merger and prior to the submission of the letter requesting that the effectiveness of the resale registration statement be accelerated or, if such resale registration statement is filed pursuant to Rule 462(e) under the Securities Act, the filing of such resale registration statement, as well as, at Horizon s election, any Vidara ordinary shares issuable upon exercise of any Horizon warrants; and

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prior to the closing date of the Merger, each of Horizon and Vidara agree to file with the SEC all forms, reports and documents required to be filed by it with the SEC.

Employee Benefits

The Merger Agreement provides that, subject to certain conditions or contractual or legal requirements:

for at least one year following the closing date of the Merger, New Horizon shall provide each person who was employed by Vidara or its subsidiaries immediately prior to the closing date of the Merger with, but only to the extent such person remains employed by Vidara or Horizon during the applicable period, (i) an annual base salary that is no less favorable than the annual base salary provided to such employee prior to the closing; (ii) an annual cash target bonus opportunity that is substantially comparable to the annual cash bonus opportunity provided to such employees prior to the closing and (iii) retirement and welfare benefits that are substantially comparable, at Horizon s sole discretion, to either (A) those generally made available to similarly situated employees of the Horizon under Horizon s compensation and benefit plans and programs, or (B) those provided to such employee immediately prior to the closing date of the Merger under the benefit plans of Vidara;

continuing employees who participate in the benefit plans of New Horizon after the closing date of the Merger will receive (i) credit under such plans for their years of service with Vidara and its subsidiaries before the closing of the Merger for all purposes, including eligibility requirements, level of benefits, vesting and benefit accrual (except to the extent such credit would result in a duplication of benefits), and (ii) credit for amounts previously paid under Vidara s benefit plans for purposes of applying deductibles, co-payments and out-of-pocket maximums as though such amounts had been paid in accordance with the terms and conditions of the parallel plan or program of New Horizon;

New Horizon will waive for each continuing employee any waiting period provision, payment requirement to avoid a waiting period, pre-existing condition limitation, actively-at-work requirement and any other restriction that would prevent immediate or full participation under the welfare plans applicable to such continuing employee after the closing date of the Merger, to the extent such waiting period or similar condition would not have been applicable to such employee under the terms of the parallel plan of Vidara;

unless otherwise requested by Horizon, Vidara Holdings and Vidara will take all actions necessary or appropriate to withdraw as a participating employer from their retirement savings plan, and will, prior to and conditioned upon such withdrawal as a participating employer, fully vest any and all unvested amounts of the accounts of all U.S. employees who are participants under such plan at the time of such withdrawal;

in the event of such withdrawal from the retirement savings plan, after completion of the Merger, Horizon will provide to continuing employees benefits under the Horizon 401(k) plan. The continuing employees will be able to make eligible rollover contributions to the Horizon 401(k) plan of their account balances from the retirement savings plan as soon as practicable following completion of the Merger; and

unless otherwise requested by Horizon, Vidara Holdings and Vidara will take all actions necessary or appropriate to terminate its service agreement with its benefit plans administrator and the participation of all U.S. employees of Vidara in the benefit plans administered by its service provider, each effective as of the effective time of the Merger.

Nothing contained in the Merger Agreement shall (i) limit the right of Horizon or any of its subsidiaries to amend or terminate any of their benefit plans or the right to amend or terminate any of New Horizon s benefit plans at any time following the effective time of the Merger, or (ii) be construed to create a right in any employee to employment with New Horizon or any of its subsidiaries, and the employment of each continuing employee shall not be guaranteed. In addition, no current or former employee and no continuing employee, shall be deemed

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to be a third party beneficiary of the Merger Agreement, except for employees, officers and directors to the extent of their respective rights with respect to the maintenance of indemnification rights and directors and officers liability insurance coverage as described under the section entitled *The Reorganization and the Merger Interests of Certain Persons in the Merger Indemnification*.

Officers and Directors upon Completion of the Merger

The Merger Agreement includes the following arrangements, among other things, with respect to the governance matters following the completion of the Merger Agreement:

- the officers and directors of Horizon as of immediately prior to the effective time will be the officers and directors of the surviving corporation, until duly removed or until successors are duly elected or appointed and qualified;

- until duly removed or until their successors are duly elected or appointed and qualified, the directors of Horizon immediately prior to the effective time of the Merger, plus one additional person designated by Vidara Holdings, shall be the directors of New Horizon as of the closing date of the Merger;

- until the second anniversary of the closing date of the Merger, in respect of each meeting of the shareholders of New Horizon at which the Vidara Holdings designee is up for reelection, the board of directors of New Horizon shall nominate and recommend the election of the Vidara Holdings designee or such other person designated by Vidara Holdings to serve as a member of the board of directors of New Horizon and who is reasonably acceptable to New Horizon;

- as of the effective time of the Merger, each director of Vidara and its subsidiaries and U.S. HoldCo will resign in such capacity, other than individuals identified by Horizon as continuing in such capacity following the closing of the Merger.

Conditions to the Completion of the Merger

The completion of the Merger depends upon the satisfaction or waiver of a number of conditions, all of which, to the extent permitted by applicable law, may be waived by Vidara Holdings and/or Horizon, as applicable.

The following conditions, among other conditions, must be satisfied before Horizon is obligated to complete the Merger:

- the adoption of the Merger Agreement and approval of the Merger by the Horizon stockholders;

- subject to Vidara Holding s confidential disclosure schedule, the accuracy in all respects, as of the date of the Merger Agreement and as of the closing date, of a limited number of representations and warranties made by Vidara Holdings in the Merger Agreement that are qualified as to material adverse effects, and the accuracy

in all material respects, as of the date of the Merger Agreement and as of the closing date, of certain fundamental representations, including those relating to organization, capitalization, authorization to enter into the Merger Agreement and brokers (other than representations and warranties which by their terms are made as of a specific date, which will be accurate as of such date);

subject to Vidara Holding s confidential disclosure schedule, the accuracy of the remaining representations and warranties made by Vidara Holdings in the Merger Agreement (disregarding all materiality qualifications) as of the date of the Merger Agreement and as of the closing date (other than representations and warranties which by their terms are made as of a specific date, which will be accurate as of such date), provided that inaccuracies in such representations and warranties will be disregarded so long as failure of such representations and warranties to be so accurate does not and would not reasonably be expected to have a material adverse effect on Vidara;

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the performance in all material respects by Vidara and Vidara Holdings of each of their covenants, obligations and agreements as set forth in the Merger Agreement that are required to be performed at or prior to the closing of the Merger;

the consummation of the reorganization in accordance with schedule 1 of the Merger Agreement in all material respects;

all waiting periods under the HSR Act shall have expired or been earlier terminated without action by the DOJ or FTC to prevent consummation of the transactions contemplated by the Merger Agreement, or any action commenced by the DOJ or FTC in relation to the transactions contemplated by the Merger Agreement shall have been resolved in a manner that permits the consummation of the Merger (early termination of the waiting period under the HSR Act was granted effective April 11, 2014);

the absence of any pending claim, action, suit or similar proceeding involving a governmental authority (i) challenging or seeking to restrain, prohibit, rescind or unwind the consummation of the Merger; (b) seeking to prohibit or limit in any material respect the ability of Horizon s stockholders to vote, transfer, receive dividends with respect to or otherwise exercise ownership rights with respect to any of the shares of Vidara ordinary stock; (c) relating to the Merger and that would reasonably be expected to materially and adversely affect the right or ability of Horizon to own any of the material assets or materially limit the operation of the business of Horizon; (d) seeking to compel Horizon, Vidara or any of their subsidiaries to dispose of or hold separate any material assets or material business as a result of the Merger; or (e) relating to the Merger and seeking to impose (or that would reasonably be expected to result in the imposition of) any criminal sanctions or criminal liability on Horizon, Vidara or their subsidiaries and affiliates;

since the date of the Merger Agreement, there shall not have occurred any material adverse effect on Vidara that has not been cured;

the authorization for listing on NASDAQ (subject to official notice of issuance) of the New Horizon ordinary shares to be issued pursuant to the Merger Agreement;

the effectiveness of the registration statement of which this proxy statement/prospectus is a part, the absence of a stop order issued by the SEC suspending the effectiveness of such registration statement and the absence of any proceedings initiated for that purpose by the SEC;

Vidara shall have been re-registered as a public limited company in accordance with the provisions of the Irish Companies (Amendment) Act 1983;

no temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the Merger shall have been issued by any court of competent jurisdiction or other governmental authority and remain in effect, and there shall not be any claim, action, suit or similar

proceeding enacted or deemed applicable to the Merger that makes consummation of the Merger illegal;

Vidara Holdings and Vidara, as applicable, shall have adopted resolutions providing for (i) the change of Vidara s legal name to Horizon Pharma plc and (ii) the actions required to effect the reorganization and related actions;

completion of the procedures specified in subsection (2) to (11) of Section 60 of the Irish Companies Act 1963; and

receipt by Horizon of, among other things:

a certificate dated as of the closing date and duly executed by an authorized officer of Vidara Holdings to the effect that certain conditions have been satisfied;

documentation reasonably satisfactory to Horizon evidencing the consummation of the reorganization;

a supplemental indenture to Horizon and the trustee under the convertible notes indenture;

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general releases duly executed by Vidara Holdings and certain individuals; and

a temporary escrow agreement duly executed by Vidara Holdings and the escrow agent.

The following conditions, among other conditions, must be satisfied before Vidara Holdings, Vidara and any subsidiary of Vidara formed pursuant to the reorganization is obligated to complete the Merger:

the adoption of the Merger Agreement and approval of the Merger by the Horizon stockholders;

subject to Horizon s confidential disclosure schedule and certain SEC filings made by Horizon, the accuracy in all respects as of the date of the Merger Agreement and as of the closing date of a limited number of representations and warranties made by Horizon in the Merger Agreement that are qualified as to material adverse effects (other than representations and warranties which by their terms are made as of a specific date, which will be accurate as of such date) and the accuracy in all material respects as of the date of the Merger Agreement and as of the closing date of certain fundamental representations including those relating to organization, capitalization, authorization to enter into the Merger Agreement and brokers (other than representations and warranties which by their terms are made as of a specific date, which will be accurate as of such date) except where failure to be accurate would not reasonably be expected to increase the aggregate merger consideration payable to the Horizon security holders by more than 150,000 ordinary shares of New Horizon;

subject to Horizon s confidential disclosure schedule and certain SEC filings made by Horizon, the accuracy of the remaining representations and warranties made by Horizon in the Merger Agreement (disregarding all materiality qualifications) as of the date of the Merger Agreement and as of the closing date (other than representations and warranties which by their terms are made as of a specific date, which will be accurate as of such date), provided that inaccuracies in such representations and warranties will be disregarded so long as failure of such representations and warranties to be so accurate does not and would not reasonably be expected to have a material adverse effect on Horizon;

the performance in all material respects by Horizon of each of its covenants, obligations and agreements set forth in the Merger Agreement that are required to be performed at or prior to the closing date of the Merger;

since the date of the Merger Agreement, there shall not have occurred any material adverse effect on Horizon that has not been cured;

all waiting periods under the HSR Act shall have expired or been earlier terminated without action by the DOJ or FTC to prevent consummation of the transactions contemplated by the Merger Agreement, or any action commenced by the DOJ or FTC in relation to the transactions contemplated by the Merger Agreement shall have been resolved in a manner that permits the consummation of the Merger;

the absence of any pending claim, action, suit or similar proceeding involving a governmental authority (i) challenging or seeking to restrain, prohibit, rescind or unwind the consummation of the Merger; (b) seeking to prohibit or limit in any material respect the ability of Vidara Holdings to vote, transfer, receive dividends with respect to or otherwise exercise ownership rights with respect to any of its shares of Vidara ordinary shares; or (c) relating to the Merger and seeking to impose (or that would reasonably be expected to result in the imposition of) any criminal sanctions or criminal liability on Vidara Holdings, and member of Vidara Holdings or Vidara;

the effectiveness of the registration statement of which this proxy statement/prospectus is a part, the absence of a stop order suspending the effectiveness of such registration statement and the absence of any proceedings initiated for that purpose;

either (i) counsel for Horizon shall have received a letter from the SEC indicating that the SEC is of the view that the Merger will constitute a succession for purposes of Rule 12g-3(a) of the Exchange Act and that Vidara may take into account Horizon s reporting history in determining Vidara s eligibility to use Form S-3 immediately following the effective time of the Merger, and Vidara shall otherwise be

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reasonably satisfied that it is eligible to file resale registration statements on Form S-3 pursuant to Rule 462(e) under the Securities Act and such resale registration statement shall have been prepared and ready for filing with the SEC promptly following the closing of the Merger or (ii) Vidara shall have been notified by the SEC that the resale registration statement will not be reviewed by the SEC or is no longer subject to further review and comments, Vidara shall have sent a letter to the SEC requesting that the effectiveness of the resale registration statement be accelerated, and Horizon or Vidara shall have paid any registration fees associated with the resale registration statement, and Vidara Holdings shall be reasonably satisfied that all other filings have been made, that all consents and approvals have been obtained and that all other arrangements have been made and are in place, in each case as would be necessary for the resale registration statement to be declared effective under the Securities Act and in such form as will allow Vidara Holdings to publicly resell their ordinary shares pursuant to such resale registration statement;

the authorization for listing on NASDAQ (subject to official notice of issuance) of the New Horizon ordinary shares to be issued pursuant to the Merger Agreement;

no temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the Merger shall have been issued by any court of competent jurisdiction or other governmental authority and remain in effect, and there shall not be any claim, action, suit or similar proceeding enacted or deemed applicable to the Merger that makes consummation of the Merger illegal;

receipt by Vidara Holdings of, among other things:

a certificate dated as of the closing date and duly executed by an authorized officer of Horizon to the effect that certain conditions have been satisfied; and

the temporary escrow agreement, duly executed by Horizon and the escrow agent.

No Survival of Representations and Warranties or Post-Closing Indemnification

Each representation, warranty, covenant, undertaking and agreement contained in the Merger Agreement will expire as of, and will not survive, the closing of the Merger (except for certain covenants that will survive the closing of the Merger as set forth in the Merger Agreement). If the Merger is consummated, neither Vidara Holdings nor Horizon (or their respective affiliates, directors, officers, employees, stockholders, partners, members or representatives) shall have any liability with respect to any such representation, warranty, covenant, undertaking or agreement that expires as of the closing of the Merger and no party to the Merger Agreement has any post-closing indemnification obligations to the other parties.

Termination of the Merger Agreement

The Merger Agreement may be terminated at any time prior to the closing of the Merger, whether before or after the vote by the Horizon stockholders, in any of the following ways:

by mutual written consent of Vidara Holdings and Horizon;

by either Vidara Holdings or Horizon if the closing of the Merger shall not have occurred on or before September 30, 2014, except that the right to so terminate the Merger Agreement will not be available to Horizon or Vidara Holdings if its failure to fulfill any obligation under the Merger Agreement has been the cause of, or resulted in, the failure of the effective time to occur on or before such date;

by Vidara Holdings, if Horizon shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the Merger Agreement, which breach or failure to perform (i) would give rise to the failure of a closing condition and (ii) has not been or is incapable of being cured by Horizon within 30 calendar days after written notice has been given to Horizon of such breach;

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by Horizon, if Vidara Holdings shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the Merger Agreement, which breach or failure to perform (i) would give rise to the failure of a closing condition and (ii) has not been or is incapable of being cured by Vidara Holdings within 30 calendar days after written notice has been given to Holdings of such breach;

by either (i) Vidara Holdings following the change, withdrawal or withholding by Horizon s board of directors of a recommendation to approve the Merger and the Merger Agreement, or the approval, recommendation or adoption by Horizon s board of directors of an alternative proposal to the Merger Agreement, or (ii) Vidara Holdings or Horizon in the event that Horizon has not obtained approval of the Merger Agreement from the Horizon stockholders within 20 business days following the date on which a meeting of the Horizon stockholder is initially convened;

by either Vidara Holdings or Horizon if any governmental authority shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by the Merger Agreement, and such order, decree, ruling or other action shall have become final and nonappealable, except that such right to terminate the Merger Agreement shall not be available to any party whose failure to use its reasonable best efforts to satisfy the closing conditions resulted in such action or inaction;

by Vidara Holdings if (i) a third party sells any product that is a generic version of VIMOVO® in the United States (or for resale in the United States) to any person not affiliated with such third party or with Vidara Holdings, and (ii) Horizon s average closing stock price on the five trading days following the date the first sale becomes publicly known, or the reference rate, is the lower of $8.00 per share or 65% of Horizon s average closing stock price on the five trading days immediately preceding the reference date, and (iii) Vidara Holdings terminates the Merger Agreement within 10 calendar days after the reference date; or

by Vidara Holdings if all of the closing conditions have been and continue to be satisfied (other than those conditions, which by their terms, are not capable of being satisfied until the closing of the Merger) and Horizon fails to close the Merger within three business days of the date the closing should have occurred, and Vidara Holdings stood ready and willing to consummate the Merger on that date.

Notwithstanding the foregoing, the right to terminate the Merger Agreement will not be available to any party whose material failure to fulfill its obligations or to comply with its covenants under the Merger Agreement has been the cause of or resulted in the failure to satisfy any condition to the obligations of any party.

Obligations in Event of Termination

Under the following circumstances, Vidara Holdings may be entitled to a termination fee in the event of a termination as described above, the Merger Agreement will become void and of no further force or effect, except for certain sections of the Merger Agreement. Such termination shall not relieve any party to the Merger Agreement of any liability for damages resulting from a breach of the Merger Agreement.

Expenses and Termination Fees

Whether or not the transactions contemplated by the Merger Agreement are consummated, Vidara Holdings and Horizon shall each pay all costs and expenses incurred by them in connection with the performance of their obligations under the Merger Agreement, including the fees and disbursements of counsel, accountants, financial advisors, experts and consultants employed by them in connection with the transactions contemplated by the Merger Agreement, subject to certain exceptions. Horizon will pay the following: (i) all filing fees paid to the SEC in respect of this proxy statement/prospectus and certain other filings, (ii) printing and mailing costs related to the preparation, printing and dissemination to the holders of Horizon common stock of this proxy statement/prospectus and certain other filings, (iii) all filing fees paid by any party in connection with the antitrust filings,

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(iv) all costs and expenses contemplated by the Horizon s contemplated debt financing, (v) all transfer, documentary, sales, use, stamp, registration and other taxes incurred in connection with the transactions contemplated by the Merger Agreement, (vi) the out-of- pocket costs of the preparation and audit of the ACTIMMUNE product business for the twelve months ended December 31, 2011 and for the period from January 1, 2012 through June 18, 2012 to be obtained from a predecessor of Vidara and (vii) certain expenses incurred in connection with the restructuring as set forth on schedule 1 to the Merger Agreement.

In the event that Vidara Holdings or Horizon terminates the Merger Agreement upon failure to obtain approval of the Merger Agreement from the Horizon stockholders, Vidara Holdings will be entitled to an expense reimbursement fee in the amount of $13,500,000.

Horizon will be obligated to pay Vidara Holdings a termination fee in the amount of $23,000,000 in the event that (i) (a) a Horizon alternative proposal is made to Horizon or is publicly announced and is not publicly withdrawn, (b) the Merger Agreement is terminated due to a breach by Horizon that gave rise to the failure of a closing condition and was not cured within 30 days of Horizon s receipt of notice of the breach, or due to the closing conditions not being satisfied prior to September 30, 2014, and (c) Horizon enters into a definitive agreement with respect to or consummates a Horizon alternative proposal with the person who made a Horizon alternative proposal prior to termination of the Merger Agreement within 12 months following the termination of the Merger Agreement; or (ii) Vidara Holdings terminates the Merger Agreement following a change, withdrawal or withholding by Horizon s board of directors of a recommendation to approve the Merger and the Merger Agreement, or following the approval, recommendation or adoption by Horizon s board of directors of a Horizon alternative proposal.

Horizon will be obligated to pay Vidara Holdings a reverse termination fee in the amount of $44,000,000 if the Merger Agreement is terminated because Horizon fails to close the Merger after all of the closing conditions have been satisfied and Vidara Holdings stands ready, willing and able to close.

Amendment and Waiver

The Merger Agreement may be amended, modified or supplemented only by a writing signed by each of Horizon and Vidara Holdings. Notwithstanding the foregoing, certain sections of the Merger Agreement may not modified in a manner that is adverse in any material respect to Horizon s financing sources without the prior written consent of each financing source that is a party to a certain commitment letter entered into by Horizon. No waiver of any condition or of any breach of any term, covenant, representation or warranty contained in the Merger Agreement will be effective unless in writing.

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OTHER RELATED AGREEMENTS

The Voting Agreements

The following is a summary of the material provisions of the voting agreements entered into by Horizon, Vidara and executive officers and directors of Horizon and with certain entities affiliated with Horizon s directors, and is qualified in its entirety by reference to the full text of the form of such voting agreements, which is filed as an exhibit to Horizon Pharma, Inc. s Current Report on Form 8-K, filed on March 20, 2014, and is incorporated by reference into this proxy statement/prospectus.

Concurrently with the execution and delivery of the Merger Agreement, Horizon and Vidara entered into voting agreements with each executive officer and director of Horizon and with certain entities affiliated with Horizon s directors, pursuant to which each such executive officer, director and affiliated-entity agreed, among other things, to vote his, her or its shares in favor of the adoption of the Merger Agreement and the approval of the Merger. In the aggregate, approximately 20 percent of Horizon s outstanding common stock is subject to the voting agreements. Each of the voting agreements contains transfer restrictions that permit the sale of up to 15% of the subject securities prior to the closing of the Merger. The voting agreements will expire upon the earlier of termination of the Merger Agreement or approval of the Merger Agreement by Horizon s stockholders.

Under the terms of each of the voting agreements, the applicable Horizon stockholder has agreed to vote all shares of Horizon common stock owned now or in the future, whether beneficially or of record, by such stockholder, which shares are referred to in this proxy statement/prospectus as the subject Horizon shares, at any meeting of the stockholders of Horizon, or at any adjournment or postponement thereof, and on every action by written consent taken by the stockholders of Horizon:

- in favor of the Merger, the execution and delivery by Horizon of the Merger Agreement and the adoption and approval of the Merger Agreement and the terms thereof, in favor of each of the other actions contemplated by the Merger Agreement and in favor of any action in furtherance of any of the foregoing;
- in favor of any proposal to adjourn or postpone the meeting of the stockholders of Horizon to a later date if there are not sufficient votes for adoption of the Merger Agreement on the date on which such meeting is held;
- against any action or agreement that would result in a material breach of any representation, warranty, covenant or obligation of Horizon in the Merger Agreement; and
- against any action which is (i) intended to impede, interfere with, delay, postpone, discourage or adversely affect the Merger or any of the other transactions contemplated by the Merger Agreement or the voting agreement, or (ii) would reasonably be expected, to impede, interfere with, materially delay, materially postpone, discourage or adversely affect in any material way the Merger or any of the other transactions contemplated by the Merger Agreement or the voting agreement.

In furtherance of the foregoing, pursuant to the voting agreements, each such Horizon stockholder granted to Vidara an irrevocable proxy and irrevocably appointed Vidara, Mr. Venkataraman and Dr. Nohria, solely in their capacities as

executive officers of Vidara, as their proxies to vote their respective subject Horizon shares in accordance with the terms of the voting agreements.

The Horizon stockholders who are parties to the voting agreements may vote their respective subject Horizon shares on all other matters not referred to in the irrevocable proxy in any manner they deem appropriate, and the proxies may not exercise the proxy with respect to such other matters. The irrevocable proxy is binding upon the heirs and assigns of the key Horizon stockholders, including any transferee of any of the subject Horizon shares.

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Temporary Escrow Agreement

The following is a summary of the material provisions of the escrow agreement to be entered into by Horizon, Vidara Holdings and Citibank, National Association as the escrow agent, and is qualified in its entirety by reference to the full text of the form of such escrow agreement which is filed as an exhibit to Horizon Pharma, Inc. s Current Report on Form 8-K, filed on March 20, 2014, and is incorporated by reference into this proxy statement/prospectus.

Pursuant to the terms of the Merger Agreement, Horizon and Vidara Holdings will enter into an escrow agreement, which is referred to in this proxy statement/prospectus as the escrow agreement, with Citibank, National Association, which is referred to in this proxy statement/prospectus as the escrow agent, immediately prior to the closing. Under the terms of the escrow agreement, $2,750,000 of the cash consideration payable to Vidara Holdings at closing will be deposited in an escrow account to be used to pay amounts payable to Horizon, if any, as a result of the determination of the final cash consideration after the closing.

All or part of the escrow amount will be released within two business days after receipt of the joint written instruction of Horizon and Vidara Holdings, which is executed by Horizon and Vidara Holdings, to the escrow agent directing the escrow agent to disburse all or a portion of the escrow property, as applicable.

Registration Rights Agreement

The following is a summary of the material provisions of the registration rights agreement to be entered into by Vidara, Vidara Holdings and certain shareholders of Vidara Holdings, and is qualified in its entirety by reference to the full text of the form of such registration rights agreement which is filed as an exhibit to Horizon Pharma, Inc. s Current Report on Form 8-K, filed on March 20, 2014, and is incorporated by reference into this proxy statement/prospectus.

The Merger Agreement contemplates that Vidara and Vidara Holdings and members of Vidara Holdings as of the date of the Merger Agreement, which are collectively referred to in this proxy statement/prospectus as the Vidara rights parties, will enter into a registration rights agreement providing for the registration for resale under the Securities Act of the New Horizon ordinary shares held by the Vidara rights parties immediately following the closing, which is referred to in this proxy statement/prospectus as the registration rights agreement. Based on shares outstanding on June 24, 2014 and the other assumptions described under the section entitled *The Reorganization and the Merger The Merger* and assuming the Merger had closed as of that date, the Vidara rights parties would hold an aggregate of approximately 31,350,000 New Horizon ordinary shares immediately after the Merger. The New Horizon ordinary shares subject to the registration rights agreement are referred to in this proxy statement/prospectus as the registrable securities.

Pursuant to the registration rights agreement, Vidara agreed to file a registration statement with the SEC covering the resale of all of the registrable securities as soon as reasonably practicable following the date the registration statement of which this proxy statement/prospectus is a part is declared effective by the SEC, and to use its reasonable best efforts to cause such resale registration statement, which is referred to in this proxy statement/prospectus as the Vidara resale registration statement, to become effective under the Securities Act by the closing date or as soon as reasonably practicable thereafter.

Under the registration rights agreement, New Horizon will agree to facilitate the sale of registrable securities in an underwritten public offering provided that the aggregate amount of registrable securities to be offered and sold in the underwritten public offering is reasonably expected to result in aggregate gross proceeds of not less than $25 million, subject to New Horizon s ability to defer facilitating such an underwritten public offering under certain circumstances.

New Horizon is not obligated to facilitate more than two underwritten public offerings under the registration rights agreement in any 12-month period and no more than three total underwritten public offerings under the registration rights agreement during the term of the agreement.

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The registration rights provided to each holder of registrable securities under the registration rights agreement will terminate upon the earlier to occur of:

such time as such time as there are no registrable securities outstanding; or

the date that is two years and six months following the first date on which the registration statement registering all of such holder s registrable securities became or was declared effective under the Securities Act, provided that such two year and six month period is subject to extension for the number of days that the effectiveness of the registration statement(s) registering the resale of such holder s registrable securities have been suspended in accordance with the terms of the registration rights agreement.

Vidara is obligated to pay all expenses relating to any registrations and permitted underwritten public offerings under the registration rights agreement, other than underwriting discounts and commissions. The registration rights agreement also provides for cross-indemnification for some liabilities, including liabilities arising under the Securities Act.

Commitment Letter

The following is a summary of the material provisions of the commitment letter entered into by Horizon, Deerfield Management Company, L.P. and certain funds managed by Deerfield Management Company, L.P., and is qualified in its entirety by reference to the full text of such commitment letter which is filed as an exhibit to Horizon Pharma, Inc. s Current Report on Form 8-K, filed on March 19, 2014, and is incorporated by reference into this proxy statement/prospectus.

In connection with the Merger Agreement, Horizon entered into a commitment letter, referred to as the commitment letter with Deerfield Management Company, L.P. and certain funds managed by Deerfield, referred to as the Deerfield Funds , pursuant to which the Deerfield Funds have committed to provide up to $250.0 million of senior secured loans to finance the Merger, referred to as the Deerfield facility . The commitment to provide the Deerfield facility is subject to certain conditions, including the negotiation of definitive documentation and other customary closing conditions consistent with the Merger Agreement. The receipt of funding under the Deerfield facility is not a condition to the obligations of Horizon under the terms of the Merger Agreement.

Horizon paid Deerfield a commitment fee of $5.0 million upon the execution of the commitment letter. The commitment letter expires on June 30, 2014 unless by June 30, 2014 Horizon has provided notice to Deerfield that commits Horizon to borrow at least $225.0 million under the facility. As a result of the execution of the credit agreement described below under the section entitled *Credit Agreement*, Horizon will not deliver such notice of commitment to Deerfield.

Credit Agreement

The following is a summary of the material provisions of the credit agreement entered into by Horizon, as initial signatory, the lenders from time to time party thereto and Citibank, N.A., as administrative agent and collateral agent, and is qualified in its entirety by reference to the full text of such credit agreement which is filed as an exhibit to Horizon Pharma, Inc. s Current Report on Form 8-K filed on June 19, 2014, and is incorporated by reference into this proxy statement/prospectus.

In connection with the Merger Agreement, on June 17, 2014 (the Credit Agreement Effective Date), Horizon, as initial signatory, entered into a Credit Agreement (the Credit Agreement) with the lenders from time to time party thereto (each a Lender and collectively the Lenders) and Citibank, N.A., as administrative agent and collateral agent (Citibank).

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The Credit Agreement provides for (i) a committed five-year $300 million term loan facility (the Term Loan Facility), the proceeds of which shall be used to effect the transactions contemplated by the Merger Agreement, to pay fees and expenses in connection therewith and for general corporate purposes, (ii) an uncommitted accordion facility subject to the satisfaction of certain financial and other conditions, and (iii) one or more uncommitted refinancing loan facilities with respect to loans under the Credit Agreement.

The Lenders have committed to fund the loans under the Term Loan Facility on the closing date of the Merger, subject to (i) customary closing conditions, including, among other things, the execution and delivery of joinders to the Credit Agreement by Vidara and certain subsidiaries of Vidara and Horizon, (ii) the execution and delivery of certain subsidiary guarantees, security and collateral documents and the delivery of customary closing documents and opinions, (iii) consummation of the acquisition in accordance with the terms of the Merger Agreement, (iv) the absence of a material adverse effect with respect to Vidara, and (v) the truth and correctness of certain specified representations in the Credit Agreement and certain representations of Vidara in the Merger Agreement.

The borrower under the Term Loan Facility will be U.S. HoldCo. The Credit Agreement allows for Vidara and other subsidiaries of Vidara to become borrowers under the accordion facility. Loans under the Term Loan Facility bear interest, at each Borrower s (as such term is defined in the Credit Agreement) option, at a rate equal to either the LIBOR rate, plus an applicable margin of 8.00% per annum (subject to a 1.00% LIBOR floor), or the prime lending rate, plus an applicable margin equal to 7.00% per annum.

Horizon will pay to Citibank, for the ratable benefit and account of each applicable Lender, a ticking fee (the Ticking Fee) accruing from the date that is 31 days following the Credit Agreement Effective Date through, but excluding, the earliest to occur of (i) the closing date of the Merger, (ii) October 1, 2014 and (iii) the date of the termination of all of the commitments of the Lenders under the Term Loan Facility (the Term Loan Commitments) in accordance with the provisions set forth in the Credit Agreement (such earliest date, the Ticking Fee Payment Date), in an amount equal to 4% per annum of the Term Loan Commitments, which rate shall increase to 8% per annum of the Term Loan Commitments on the date that is 61 days following the Credit Agreement Effective Date. The Ticking Fee shall be payable on the Ticking Fee Payment Date. Horizon and the borrowers will also be required to reimburse Citibank and the Lenders for certain expenses and Horizon will pay an upfront fee equal to 1% of the aggregate amount of loans actually borrowed under the Term Loan Facility on the closing date of the Merger and customary arranger fees in connection with the making of the term loans under the Term Loan Facility.

The borrowers obligations under the Credit Agreement and any swap obligations entered into with a Lender will be guaranteed, as of the closing date of the Merger, by Vidara and each of Vidara s existing and subsequently acquired or organized direct and indirect subsidiaries (other than certain immaterial subsidiaries, subsidiaries whose guarantee would result in material adverse tax consequences and subsidiaries whose guarantee is prohibited by applicable law). The borrowers and the guarantors are individually and collectively referred to in this proxy statement/prospectus as a Loan Party and the Loan Parties, as applicable.

The borrowers obligations under the Credit Agreement will be secured as of the closing date of the Merger, subject to customary permitted liens and other agreed upon exceptions, by a perfected security interest in (i) all tangible and intangible assets of the Loan Parties, except for certain customary excluded assets, and (ii) all of the capital stock owned by the Loan Parties (limited, in the case of the stock of certain non-U.S. subsidiaries of U.S. HoldCo, to 65% of the capital stock of such subsidiaries).

U.S. HoldCo is permitted to make voluntary prepayments of loans under the Term Loan Facility, except that (i) a specified make-whole amount would apply to any repayment or repricing prior to the second anniversary of the closing date of the Merger, (ii) a 4% premium would apply to any repayment or a repricing on or prior to the third

anniversary of the closing date of the Merger, and (iii) a 2% premium would apply to any repayment or a repricing on or prior to the fourth anniversary of the closing date of the Merger. U.S. HoldCo is required to make

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mandatory prepayments of loans under the Term Loan Facility (without payment of a premium) with (a) net cash proceeds from certain non-ordinary course asset sales (subject to reinvestment rights and other exceptions), (b) casualty proceeds and condemnation awards (subject to reinvestment rights and other exceptions), and (c) net cash proceeds from issuances of debt (other than certain permitted debt).

The Credit Agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to the Loan Parties and their restricted subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of other indebtedness and dividends and other distributions.

Events of default under the Credit Agreement include: (i) the failure by the borrowers to timely make payments due under the Credit Agreement; (ii) material misrepresentations or misstatements in any representation or warranty by any Loan Party when made; (iii) failure by any Loan Party to comply with the covenants under the Credit Agreement and other related agreements; (iv) certain defaults under a specified amount of other indebtedness of Vidara or its subsidiaries; (v) insolvency or bankruptcy-related events with respect to Vidara or any of its material subsidiaries; (vi) certain undischarged judgments against Vidara or any of its restricted subsidiaries; (vii) certain ERISA-related events reasonably expected to have a material adverse effect on Vidara and its subsidiaries taken as a whole; (viii) certain security interests or liens under the loan documents ceasing to be, or being asserted by Vidara or its restricted subsidiaries not to be, in full force and effect; and (ix) any loan document or material provision thereof ceasing to be, or any proceeding being instituted asserting that such loan document or material provision is not, in full force and effect. If one or more events of default occurs and continues beyond any applicable cure period, the administrative agent may, with the consent of the Lenders holding a majority of the loans and commitments under the facilities, or will, at the request of such Lenders, terminate the commitments of the Lenders to make further loans and declare all of the obligations of the Loan Parties under the Credit Agreement to be immediately due and payable.

As a result of the execution of the Credit Agreement, Horizon will not exercise its right to extend the commitment letter described above.

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PROPOSAL 2

STOCKHOLDER ADVISORY VOTE ON CERTAIN COMPENSATORY ARRANGEMENTS

Background; Stockholder Resolution

Under the Dodd-Frank Act and Section 14A of the Exchange Act, Horizon stockholders are entitled to vote to approve, on an advisory basis, the compensation of the named executive officers of Horizon that is based on or otherwise relates to the Merger as disclosed in this proxy statement/prospectus, which compensation is referred to in this proxy statement/prospectus as the Merger-related compensation. The terms of the Merger-related compensation are described in this proxy statement/prospectus under *The Reorganization and the Merger Interests of Certain Persons in the Merger Golden Parachute Compensation* beginning on page 57.

In accordance with the above requirements, Horizon is asking its stockholders to vote on the adoption of the following resolution:

RESOLVED, that the compensation that may be paid or become payable to the named executive officers of Horizon in connection with the Merger, as disclosed in the Golden Parachute Compensation table and narrative discussion as set forth in this proxy statement/prospectus under *The Reorganization and the Merger Interests of Certain Persons in the Merger Golden Parachute Compensation* beginning on page 57 is hereby APPROVED.

Required Vote; Board Recommendation

The affirmative vote of the holders of at least a majority of the shares of Horizon common stock represented and voting either in person or by proxy at the Special Meeting and entitled to vote is required for approval of the proposal to approve the Merger-related compensation. However, because the vote on this proposal is advisory, it will not be binding on the Horizon board of directors. Thus, regardless of the outcome of this advisory vote, such compensation may be payable, subject only to the Horizon board s discretion and the conditions applicable thereto, if the Merger is approved.

The advisory vote on the Merger-related compensation (which is referred to in this proxy statement/prospectus as Proposal 2) is a vote separate and apart from the vote to adopt the Merger Agreement and approve the Merger and is a vote separate and apart from the votes on each of the other proposals. Accordingly, you may vote to approve this Proposal 2 and vote against any of the other proposals, or you may vote against this Proposal 2 and vote to adopt the Merger Agreement and approve the Merger and to approve any of the other proposals. Advisory approval of this Proposal 2 to approve the Merger-related compensation is not a condition to the completion of the Merger and whether or not this Proposal 2 is approved will have no impact on the completion of the Merger.

The Horizon board of directors unanimously recommends that the Horizon stockholders vote FOR the proposal to approve, on an advisory basis, the Merger-related compensation as described in this proxy statement/prospectus.

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PROPOSAL 3

APPROVAL OF 2014 EQUITY INCENTIVE PLAN

The 2014 Equity Incentive Plan, which is referred to in this proxy statement/prospectus as the 2014 Plan, was adopted by the Horizon board of directors on May 17, 2014, subject to stockholder approval of and consummation of the Merger, stockholder approval of this Proposal 3, and stockholder approval of Proposal 4 for adoption of the Non-Employee Plan. The 2014 Plan was adopted for purposes of compliance with the requirements of applicable Irish laws and to permit grants of equity awards to employees of New Horizon and its subsidiaries following the Merger. If the Merger is consummated, it is intended that for purposes of granting equity awards to employees of New Horizon and its subsidiaries following the Merger the 2014 Plan will serve as the successor to and continuation of the Horizon Pharma, Inc. 2011 Equity Incentive Plan, which is referred to in this proxy statement/prospectus as the 2011 Plan. In this Proposal 3, the Horizon board of directors is requesting stockholder approval of the 2014 Plan.

If the stockholders approve Proposal 4 for adoption of the Non-Employee Plan and also approve this Proposal 3 and the Merger is consummated, the 2014 Plan will become effective immediately prior to the effective time of the Merger. In addition, the 2014 Plan will be assumed by New Horizon at the effective time of the Merger, and will be used to grant awards to employees of New Horizon and its subsidiaries after completion of the Merger. Accordingly, approval of this Proposal 3 to approve the 2014 Plan will also constitute approval by Horizon stockholders of the assumption of the 2014 Plan in the Merger by New Horizon.

Horizon s board of directors has submitted to the Horizon stockholders for approval at the 2014 annual meeting to be held on June 27, 2014 an amended 2011 Plan that would provide for, among other things, an increase to the share reserve of the 2011 Plan, which is referred to in this proxy statement/prospectus as the 2011 Plan Amendment. However, regardless of whether or not Horizon s stockholders approve the amended 2011 Plan at the 2014 annual meeting, no additional stock awards will be granted under the 2011 Plan after the 2014 Plan becomes effective, although all outstanding stock awards granted under the 2011 Plan and the Horizon Pharma, Inc. 2005 Stock Plan, which is referred to in this proxy statement/prospectus as the 2005 Plan, prior to the effectiveness of the 2014 Plan will continue to be subject to the terms and conditions set forth in the agreements evidencing such stock awards and the 2011 Plan and 2005 Plan, as applicable. For purposes of this Proposal 3 the 2011 Plan and the 2005 Plan are together Prior Plans.

If the Horizon stockholders do not approve this Proposal 3 or Proposal 4, or if the Merger is not consummated, then the 2014 Plan will not become effective. If the Merger is consummated, but Horizon stockholders have not approved this Proposal 3 or approved Proposal 4, then the 2011 Plan as in effect immediately prior to the Merger will be assumed by New Horizon in the Merger pursuant to the Merger Agreement and the 2011 Plan may, subject to any restrictions under applicable law, be used by New Horizon to grant awards after the Merger in accordance with the terms of such plan.

A description of the material terms of the 2014 Plan are summarized below. The key differences between the terms of the 2014 Plan and the terms of the 2011 Plan as in effect on June 24, 2014 are as follows:

Only employees of New Horizon and its subsidiaries will be eligible to participate in the 2014 Plan.

The share reserve of the 2014 Plan will be limited to a maximum of 22,052,130 shares, which number of shares will consist of: (i) 15,500,000 shares; plus (ii) the number of shares available for issuance pursuant to the grant of future awards under the 2011 Plan determined as of immediately prior to the effective time of the Merger; plus (iii) the number of shares underlying outstanding stock awards granted under the Prior Plans prior to the effective time of the Merger that expire or terminate for any reason prior to exercise or settlement or are forfeited, redeemed or repurchased because of the failure to meet a contingency or condition required to vest such shares; less (iv) the additional number of shares, if any, which the Horizon stockholders approve as an increase to the share reserve of the 2011 Plan pursuant to the 2011 Plan Amendment.

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The nominal or par value of any share issued under the 2014 Plan must be paid in cash or payroll withholding.

The 2014 Plan will have a term of ten (10) years that will expire on May 16, 2024, unless earlier terminated by the board of directors of New Horizon.

The 2014 Plan does not contain any additional pool for inducement awards ;

The 2014 Plan does not include any evergreen provision pursuant to which the number of ordinary shares available for issuance under the 2014 Plan would automatically increase each year;

The 2014 Plan provides that shares tendered to or withheld by New Horizon as consideration for the exercise of stock options and stock appreciation rights or withheld for taxes upon the exercise of stock options and stock appreciation rights or in connection with any other stock award will not be returned to the 2014 Plan share reserve;

The 2014 Plan does not permit the New Horizon board of directors to reprice or cancel outstanding underwater equity awards in exchange for cash or other stock awards without prior stockholder approval; and

The 2014 Plan includes a fungible share reserve , where the number of shares available for issuance under the 2014 Plan will be reduced by one share for each share subject to a stock option or stock appreciation right and by 1.29 shares for each share subject to any other type of stock award issued pursuant to the 2014 Plan, and such shares will return to the share reserve at the same rates upon cancellation or other forfeiture of such awards or shares.

Reasons to Approve the 2014 Plan

The Horizon board of directors believes that the approval of the 2014 Plan is necessary to enable New Horizon to continue to grant stock options and other awards to employees of New Horizon and its subsidiaries at levels reasonably necessary to attract, retain and motivate talent after completion of the Merger. The 2014 Plan will also allow New Horizon to utilize a broad array of equity incentives and performance cash incentives in order to secure and retain the services of employees of New Horizon and its subsidiaries, and to provide long term incentives that align the interests of employees with the interests of New Horizon shareholders.

Approval of the 2014 Plan by Horizon stockholders is also required to ensure that stock options and performance-based awards granted under the 2014 Plan will qualify as performance-based compensation within the meaning of Section 162(m) of the Code, which is referred to in this proxy statement/prospectus as Section 162(m). Section 162(m) denies a deduction to any publicly held corporation and its affiliates for certain compensation paid to covered employees in a taxable year to the extent that compensation to a covered employee exceeds $1 million. However, some kinds of compensation, including qualified performance-based compensation, are not subject to this deduction limitation. For the grant of awards under a plan to qualify as performance-based compensation under Section 162(m), among other things, the plan must (i) describe the employees eligible to receive such awards,

(ii) provide a per-person limit on the number of shares subject to stock options and performance-based stock awards, and the amount of cash that may be subject to performance-based cash awards, granted to any employee under the plan in any year, and (iii) include one or more pre-established business criteria upon which the performance goals for performance-based awards may be granted (or become vested or exercisable). These terms must be approved by the stockholders and, accordingly, Horizon stockholders are requested to approve the 2014 Plan, which includes terms regarding eligibility for awards, per-person limits on awards and the business criteria for performance-based awards granted under the 2014 Plan (as described in *Description of the 2014 Plan* below). New Horizon is unlikely to be entitled to any tax deduction in Ireland with respect to stock options and performance based awards regardless of stockholder approval of the 2014 Plan.

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Overhang

The following table provides certain additional information regarding Horizon and Vidara s equity incentive program on a combined basis. There are no outstanding Vidara stock options, full value or other equity awards as of March 1, 2014 and no shares available to grant under any Vidara equity plans as of March 1, 2014. The 2014 Plan will only become effective if stockholders approve the Merger and it is consummated and if stockholders approve this Proposal 3 and Proposal 4 for adoption of the Non-Employee Plan. As of June 24, 2014 there were 74,285,710 shares of Horizon Pharma, Inc. common stock outstanding. As described in more detail in *The Reorganization and the Merger The Reorganization of Vidara* in connection with the reorganization and Merger an additional 31,350,000 New Horizon ordinary shares will be issued, so that if the 2014 Plan becomes effective there will be not less than 105,635,710 New Horizon ordinary shares outstanding at such time. The closing price of Horizon s common stock as reported on the NASDAQ Global Select Market as of June 24, 2014 was $15.30 per share.

	As of March 1, 2014
Total Shares Subject to Outstanding Stock Options*	6,081,470
Total Shares Subject to Outstanding Full Value Awards	1,512,505
Weighted-Average Exercise Price of Outstanding Stock Options	$ 6.84
Weighted-Average Remaining Term of Outstanding Stock Options	8.19
Total Shares Available for Grant under the 2011 Plan**	583,134

* Includes 691,700 shares subject to stock options granted on January 10, 2014 contingent upon stockholder approval of an increase to the share reserve of the 2011 Plan pursuant to the 2011 Plan Amendment, which are referred to in this proxy statement/prospectus as the Contingent Options

** As of March 1, 2014, no shares were available for grant under any other Horizon or Vidara equity plans. If Proposal 4 is approved by stockholders, 2,500,000 shares will be available for grant under the Non-Employee Plan.

Burn Rate

The following table provides detailed information regarding the activity related to Horizon s equity incentive plans for fiscal year 2013.

	Fiscal Year 2013
Stock Options Granted	2,158,950
Full Value Awards Granted	831,004
Stock Options Cancelled	452,968
Full Value Awards Cancelled	55,948
Weighted-Average Common Stock Outstanding	63,657,924

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Forecasted Utilization Rates

Horizon manages its long-term stockholder dilution by limiting the number of equity incentive awards granted annually. Horizon carefully monitor its annual burn rate, dilution, and equity expense to ensure that it maximizes stockholders value by granting only the appropriate number of equity incentive awards necessary to attract, reward, and retain employees, directors and consultants. Prior to approving the 2014 Plan, the Horizon board of directors reviewed certain management forecasts of equity awards for issuance under the 2014 Plan for employees as set forth below. After forecasting Horizon s anticipated growth rate for the next few years, Horizon believes that the number of shares reserved for issuance under the 2014 Plan will be sufficient for at least three years of equity grant activity under Horizon s current compensation program for employees. The information in the table below also includes historical information and forecasts with respect to the operation of the 2011 Plan with respect to employee awards as a predecessor plan to the 2014 Plan.

Employee Awards	Fiscal 2013 Actual	Fiscal 2014 Forecast	Fiscal 2015 Forecast
Shares Outstanding Ending Balance	66,097,417	141,798,318	142,396,380
Options / RSU Awards Outstanding Ending Balance	5,343,088	8,173,906	11,838,087
Shares Available for Award Beginning Balance	674,929	753,195	16,276,139
Annual Evergreen/Inducement Increase	2,474,304	2,204,304	
Total Shares Available Beginning Balance	3,149,233	2,957,499	16,276,139
Stockholder Approval 2014 Plan		15,500,000	
Allocations			
Options/RSUs	(2,904,954)	(2,583,700)	(5,051,007)
Adjustments			
Cancellations Add	508,916	402,340	771,909
RSU fungibility factor Subtract			(416,320)
Total Adjustments	508,916	402,340	355,589
Shares Available for Award Ending Balance	753,195	16,276,139	11,580,721

In addition, the Horizon board of directors reviewed certain forecasts of grant utilization for different categories of grants over the three annual periods indicated below. These forecasts included forecasts for executive and employee new hires/promotions, annual refresher grants, and promotional/performance grants.

Employee Awards	Fiscal 2013 Actual	Fiscal 2014 Forecast	Fiscal 2015 Forecast
Option Grants			
New Hire	835,800	459,950	872,915
Annual Refresher	1,216,000	1,357,450	2,682,808
Promotion	22,150		
Subtotal Option Grants	2,073,950	1,817,400	3,555,723
RSU Grants			

New Hires	32,000	169,100	301,340
Annual Refresher	688,000	597,200	1,193,944
Promotion/Performance	111,004		
Subtotal RSU Grants	831,004	766,300	1,495,284
Total	**2,904,954**	**2,583,700**	**5,051,007**

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Forecasted Overhang and Burn Rate

The Horizon board of directors also reviewed certain forecasts of overhang and burn rate with respect to both employee and non-employee equity awards, as summarized below.

	Fiscal 2013 Actual	Fiscal 2014 Forecast	Fiscal 2015 Forecast
Issued Overhang %[1]	8.1%	5.8%	8.3%
Total Overhang %[2]	9.2%	18.7%	17.5%
Gross Burn Rate as a % of Outstanding[3]	8.4%	7.5%	8.3%
Adjusted Burn Rate as a % of Outstanding[4]	7.6%	7.9%	8.8%

(1) Issued Overhang is (total shares subject to options granted + total shares subject to full value awards granted)/total common shares outstanding.
(2) Total Overhang is (total shares subject to options granted + total shares subject to full value awards granted + total remaining pool reserve)/total common shares outstanding.
(3) Gross Burn Rate is (total shares subject to options granted + total shares subject to full value awards granted)/weighted average common shares outstanding.
(4) Adjusted Burn Rate is (total shares subject to options granted + total shares subject to full value awards granted total shares subject to options and full value awards that expired, terminated or were forfeited)/weighted average common shares outstanding.

Note Regarding Forecasts and Forward-Looking Statements

Horizon does not as a matter of course make public forecasts as to its total shares outstanding and utilization of various equity awards due to the unpredictability of the underlying assumptions and estimates. In particular, the forecasts set forth above in this Proposal 3 include embedded assumptions regarding option exercise which are highly dependent on the public trading price of Horizon s ordinary shares and other factors, which Horizon does not control and, as a result, Horizon does not as a matter of practice provide forecasts. In evaluating these forecasts, the Horizon board of directors recognized the high variability inherent in these assumptions.

However, Horizon has included above a summary of these forecasts to give Horizon stockholders access to certain information that was considered by the Horizon board of directors for purposes of evaluating this Proposal 3. These forecasts reflect various assumptions regarding Horizon s future operations.

The inclusion of the forecasts set forth above should not be regarded as an indication that these forecasts will be predictive of actual future outcomes, and the forecasts should not be relied upon as such. Neither Horizon nor any other person makes any representation to any of Horizon s stockholders regarding actual outcomes compared to the information contained in the forecasts set forth above. Although presented with numerical specificity, the forecasts are not fact and reflect numerous assumptions and estimates as to future events made by Horizon s management that Horizon s management believed were reasonable at the time the forecasts were prepared and other factors such as industry performance and general business, economic, regulatory, market and financial conditions, as well as factors specific to Horizon s business, all of which are difficult to predict and many of which are beyond the control of Horizon s management. In addition, the utilization forecasts with respect to Horizon s equity awards do not take into

account any circumstances or events occurring after the date that they were prepared and, accordingly, do not give effect to any changes to Horizon s operations or strategy that may be implemented in the future. Accordingly, actual outcomes may be, and likely will be, materially different than those reflected in the forecasts. Horizon does not intend to update or otherwise revise the forecasts to reflect circumstances existing after the date when made or to reflect the occurrence of future events even if any or all of the assumptions underlying the forecasts are shown to be in error. The forecasts are forward-looking statements within the meaning of Section 27A of the 1933 Act and Section 21A of the 1934 Act. These statements involve risks and uncertainties that could cause actual outcomes to differ materially from those in the forward-looking statements, including Horizon s ability to attract and retain talent, achievement of performance metrics, if any, with respect to certain equity awards, the extent of option exercise activity, and other factors described in this proxy statement/prospectus.

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The 2014 Plan Combines Compensation and Governance Best Practices

The 2014 Plan includes provisions that are designed to protect the New Horizon shareholders interests and to reflect corporate governance best practices including:

Repricing is not allowed without shareholder approval. The 2014 Plan prohibits the repricing of outstanding equity awards and the cancelation of any outstanding equity awards that have an exercise price or strike price greater than the current fair market value of New Horizon ordinary shares in exchange for cash or other stock awards under the 2014 Plan without prior shareholder approval.

Shareholder approval is required for additional shares. The 2014 Plan does not contain an annual evergreen provision. The 2014 Plan authorizes a fixed number of shares, so that stockholder approval is required to issue any additional shares, allowing the New Horizon shareholders to have direct input on New Horizon s equity compensation programs.

Fungible share reserve. The 2014 Plan has a fungible share reserve, which increases the rate at which the share reserve is depleted for stock awards other than stock options and stock appreciation rights, in order to minimize stockholder dilution. The number of shares available for issuance under the 2014 Plan will be reduced by one share for each ordinary share subject to a stock option or stock appreciation right and by 1.29 shares for each ordinary share subject to any other type of award issued pursuant to the 2014 Plan, and such ordinary shares will return to the share reserve at the same rates upon cancellation or other forfeiture of such awards or shares.

Reasonable share counting provisions. In general, when awards granted under the 2014 Plan lapse or are canceled, the shares reserved for those awards will be returned to the share reserve and be available for future awards. However, ordinary shares tendered to New Horizon or withheld by New Horizon as consideration for of the exercise price of stock options or stock appreciation rights, to cover tax withholding obligations upon exercise of stock options or stock appreciation rights, or to cover tax withholding obligations related to any other stock awards will not be returned to the 2014 Plan s share reserve.

No liberal change in control provisions. The definition of change in control in the 2014 Plan requires the consummation of an actual transaction so that no vesting acceleration benefits may occur without an actual change in control transaction occurring.

No discounted stock options or stock appreciation rights. All stock options and stock appreciation rights granted pursuant to the 2014 Plan must have an exercise price equal to or greater than the fair market value of New Horizon ordinary shares on the date the stock option or stock appreciation right is granted.

Description of the 2014 Plan

The material features of the 2014 Plan are outlined below. The following summary describes the material features of the 2014 Plan as it would be in effect upon consummation of the Merger, assumption of the 2014 Plan by New

Horizon, and conversion of the shares of Horizon common stock available for grant under the 2014 Plan into New Horizon ordinary shares. This summary is qualified in its entirety by reference to the complete text of the 2014 Plan which also reflects the changes described in the preceding sentence. Stockholders are urged to read the actual text of the 2014 Plan, which is appended to this proxy statement/prospectus as Annex D and may be accessed from the SEC s website at www.sec.gov.

Types of Awards

The 2014 Plan provides for the grant of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, and other forms of stock awards (collectively, stock awards). The 2014 Plan also provides the ability to grant performance stock awards and

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performance cash awards (together, performance awards) that may qualify the compensation attributable to those awards as performance-based compensation for purposes of Section 162(m) of the Code, as explained in greater detail below.

Incentive stock options granted under the 2014 Plan are intended to qualify as incentive stock options within the meaning of Section 422 of the Code. Nonstatutory stock options granted under the 2014 Plan are not intended to qualify as incentive stock options under the Code. See *U.S. Federal Income Tax Information* for a discussion of the tax treatment of stock awards.

Purpose

The Horizon board of directors adopted the 2014 Plan to provide a means to secure and retain the services of the employees employed by New Horizon and its subsidiaries following the Merger, to provide incentives for such persons to exert maximum efforts for the success of New Horizon and its subsidiaries and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in the value of New Horizon ordinary shares through the granting of stock awards pursuant to the 2014 Plan.

Shares Available for Awards under the 2014 Plan

The total number of New Horizon ordinary shares reserved for issuance under the 2014 Plan will not exceed 22,052,130 ordinary shares, which number of shares will consist of: (i) 15,500,000 ordinary shares; plus (ii) the number of shares available for issuance pursuant to the grant of future awards under the 2011 Plan determined as of immediately prior to the effective time of the Merger; plus (iii) the number of shares underlying outstanding stock awards granted under the Prior Plans prior to the effective time of the Merger that expire or terminate for any reason prior to exercise or settlement or are forfeited, redeemed or repurchased because of the failure to meet a contingency or condition required to vest such shares; less (iv) the additional number of shares, if any, which the Horizon stockholders approve as an increase to the share reserve of the 2011 Plan as part of the 2011 Plan Amendment.

The number of ordinary shares available for issuance under the 2014 Plan will be reduced by (1) one share for each ordinary share issued pursuant to an option grant or stock appreciation right with a strike price of at least 100% of the fair market value of the underlying ordinary shares on the date of grant, and (2) 1.29 shares for each ordinary share issued pursuant to restricted stock awards, restricted stock unit awards, performance stock awards, or other stock awards granted under the 2014 Plan.

To the extent there is an ordinary share issued pursuant to a stock award (whether granted under the 2014 Plan, 2011 Plan or the 2005 Plan), other than a stock option or stock appreciation right with a strike price of at least 100% of the fair market value of the underlying ordinary shares on the date of grant, and such ordinary share becomes available for issuance under the 2014 Plan, then the number of ordinary shares available for issuance under the 2014 Plan will increase by 1.29 shares.

Any shares subject to a stock award that are not delivered to a participant because the stock award is exercised through a reduction of shares subject to the stock award (i.e., net exercised) and any shares tendered as payment for the exercise or purchase price of a stock award will not again become available for issuance under the 2014 Plan. Additionally, any shares withheld by New Horizon pursuant to New Horizon s withholding obligations in connection with a stock option, stock appreciation right or other stock award will not again become available for issuance under the 2014 Plan.

However, if a stock award expires or otherwise terminates without all of the shares covered by such stock award having been issued in full or is settled in cash, such expiration, termination or settlement will not reduce (or otherwise offset) the number of ordinary shares that may be available for issuance under the 2014 Plan. If any ordinary shares issued pursuant to a stock award are forfeited back to, redeemed or repurchased by New Horizon

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because of the failure to meet a contingency or condition required to vest such shares, then the shares that are forfeited, redeemed or repurchased will revert to and again become available for issuance under the 2014 Plan.

Section 162(m) Limits

Under the 2014 Plan, a maximum of 1,053,074 New Horizon ordinary shares may be granted to any one participant during any one calendar year pursuant to stock options, stock appreciation rights and other stock awards whose value is determined by reference to an increase over an exercise price or strike price of at least 100% of the fair market value of the underlying New Horizon ordinary shares on the date of grant. In addition, the maximum amount covered by performance awards that may be granted to any one participant in any one calendar year (whether the grant, vesting or exercise is contingent upon the attainment during a performance period of the performance goals described below) is 631,844 New Horizon ordinary shares in the case of performance stock awards and $3,000,000 in the case of performance cash awards. Such limits are designed to allow New Horizon to grant awards that are exempt from the $1,000,000 million limitation on the income tax deductibility of compensation paid per covered employee imposed by Section 162(m) of the Code. In seeking stockholder approval of the 2014 Plan, Horizon is also seeking stockholder approval of the above limits under Section 162(m) of the Code, as well as confirming the existing performance criteria upon which performance goals may be based with respect to performance awards under the 2014 Plan, and confirming the existing permitted means of adjustment when calculating the attainment of performance goals for performance awards granted under the 2014 Plan.

Administration

The New Horizon board of directors has authority to administer the 2014 Plan. Subject to the provisions of the 2014 Plan, the New Horizon board of directors has the authority to construe and interpret the 2014 Plan, to determine the persons to whom and the dates on which awards will be granted, the number of ordinary shares to be subject to each stock award, the time or times during the term of each stock award within which all or a portion of the award may be exercised, the fair market value applicable to a stock award, the exercise price of stock options and stock appreciation rights, the type of consideration permitted to exercise or purchase each stock award, and other terms and conditions.

The New Horizon board of directors has the authority to delegate some or all of the administration of the 2014 Plan to a committee or committees. In the discretion of the New Horizon board of directors, a committee may consist solely of two or more non-employee directors within the meaning of Rule 16b-3 of the Exchange Act or solely of two or more outside directors within the meaning of Section 162(m) of the Code. For this purpose, a non-employee director generally is a director who does not receive remuneration from New Horizon other than compensation for service as a director (except for amounts not in excess of specified limits applicable pursuant to Rule 16b-3 under the Exchange Act). An outside director generally is a director who is neither a current or former officer nor a current employee of New Horizon, does not receive any remuneration from New Horizon other than compensation for service as a director, and is not employed by and does not have ownership interests in an entity that receives remuneration from New Horizon (except within specified limits applicable under regulations issued pursuant to Section 162(m) of the Code). If administration is delegated to a committee, the committee has the authority to delegate certain administrative powers to a subcommittee. As used herein in this Proposal 3 with respect to the 2014 Plan, the 2014 Plan Administrator refers to any committee the New Horizon board of directors appoints or, if applicable, any subcommittee, as well as to the board of directors itself.

Repricing; Cancellation and Re-Grant of Stock Awards

Subject to the approval of this Proposal 3, under the 2014 Plan, the 2014 Plan Administrator does not have the authority to reprice any outstanding stock option or stock appreciation right by reducing the exercise, purchase, or

strike price of the stock option or stock appreciation right or to cancel any outstanding stock option or stock appreciation right that has an exercise price greater than the current fair market value of New Horizon ordinary shares in exchange for cash or other stock awards without obtaining the approval of the New Horizon shareholders within 12 months prior to the repricing or cancellation and re-grant event.

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Eligibility

All of the employees (including officers) of New Horizon and its subsidiaries will be eligible to participate in the 2014 Plan and may receive all types of stock awards and performance awards (including performance cash awards) under the 2014 Plan after the Merger. As of the record date, there were approximately 408 employees (including officers) of Horizon and approximately 24 employees (including officers) of Vidara and its subsidiaries who would be eligible to receive grants under the 2014 Plan if the Merger is consummated. Non-employee directors and consultants of New Horizon and its subsidiaries will not be eligible to participate in the 2014 Plan.

Terms of Stock Options

Stock options may be granted under the 2014 Plan pursuant to stock option agreements adopted by the 2014 Plan Administrator. The 2014 Plan permits the grant of stock options that qualify as incentive stock options and nonstatutory stock options. The following is a description of the permissible terms of stock options under the 2014 Plan. Individual stock option agreements may be more restrictive as to any or all of the permissible terms described below.

Exercise Price. The exercise price of nonstatutory stock options may not be less than 100% of the fair market value of the ordinary shares subject to the stock option on the date of grant unless certain conditions apply; provided that in all cases the exercise price is not less than the nominal value of an ordinary share of New Horizon. The exercise price of incentive stock options may not be less than 100% of the fair market value of the ordinary shares subject to the stock option on the date of grant and, in some cases (see *Limitations on Incentive Stock Options* below), may not be less than 110% of such fair market value.

Consideration. Acceptable forms of consideration for the purchase of New Horizon ordinary shares pursuant to the exercise of a stock option under the 2014 Plan will be determined by the 2014 Plan Administrator and may include any combination of the following, provided, however, that where ordinary shares are issued pursuant to the exercise of an option, the nominal value of each newly issued ordinary share is fully paid up: (1) cash, check, bank draft or money order made payable to New Horizon, (2) payment pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board, (3) for nonstatutory stock options only a net exercise arrangement, provided, however, that irrespective of whether a net exercise arrangement is used, the nominal value of each newly issued ordinary share will be fully paid up in cash, (4) deduction from salary due and payable to an employee by New Horizon or a subsidiary, or (5) other legal consideration approved by the 2014 Plan Administrator and permissible under applicable law.

Vesting. Stock options granted under the 2014 Plan may become exercisable in cumulative increments, or vest, as determined by the 2014 Plan Administrator at the rate specified in the stock option agreement. Shares covered by different stock options granted under the 2014 Plan may be subject to different vesting schedules as the 2014 Plan Administrator may determine. The 2014 Plan Administrator also has flexibility to provide for accelerated vesting of stock options in certain events.

Term. The term of stock options granted under the 2014 Plan may not exceed ten years and, in some cases (see *Limitations* below), may not exceed five years.

Termination of Service. Except as explicitly provided otherwise in an optionholder s stock option agreement, stock options granted under the 2014 Plan generally terminate three months after termination of the optionholder s service unless (1) termination is due to the optionholder s disability, in which case the stock option may be exercised (to the extent the stock option was exercisable at the time of the termination of service) at any time within 12 months

following termination; (2) the optionholder dies before the optionholder s service has terminated, or within the period (if any) specified in the stock option agreement after termination of service for a reason other than death, in which case the stock option may be exercised (to the extent the stock option was

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exercisable at the time of the optionholder s death) within 18 months following the optionholder s death by the person or persons to whom the rights to such stock option have passed; (3) the optionholder is terminated for cause in which case the stock option will cease to be exercisable immediately upon the optionholder s termination, or (4) the stock option by its terms specifically provides otherwise. A stock option term may be extended in the event that exercise of the stock option following termination of service is prohibited by applicable securities laws or if the sale of stock received upon exercise of a stock option would violate New Horizon s insider trading policy. In no event may a stock option be exercised after its original expiration date.

For purposes of the 2014 Plan, cause generally means (i) a participant s repeated failure to perform one or more essential duties and responsibilities to New Horizon; (ii) a participant s failure to follow the lawful directives of manager(s); (iii) a participant s material violation of any New Horizon policy; (iv) a participant s commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct or gross misconduct; (v) a participant s unauthorized use or disclosure of any proprietary information, confidential information or trade secrets of New Horizon or any other party to whom he or she owes an obligation of nondisclosure as a result of his or her relationship with New Horizon; or (vi) a participant s willful breach of any of obligations under any written agreement or covenant with New Horizon or violation of any statutory duty owed to New Horizon. The determination that a termination of the participant s continuous service is either for cause or without cause will be made by New Horizon, in its sole discretion.

Restrictions on Transfer. Generally, a participant may not transfer a stock option other than by will or the laws of descent and distribution or a domestic relations, official marital settlement agreement or other divorce or separation instrument permitted under applicable law. During the lifetime of the participant, only the participant may exercise an incentive stock option. However, the 2014 Plan Administrator may grant nonstatutory stock options that are transferable in certain limited instances. The 2014 Plan Administrator may also allow a participant to designate a beneficiary who may exercise an option following the participant s death.

Limitations on Incentive Stock Options

The aggregate fair market value, determined at the time of grant, of shares of New Horizon ordinary shares with respect to incentive stock options that are exercisable for the first time by an optionholder during any calendar year under all of New Horizon s stock plans may not exceed $100,000. The stock options or portions of stock options that exceed this limit are treated as nonstatutory stock options. No incentive stock option may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of New Horizon s total combined voting power or that of any affiliate unless the following conditions are satisfied:

- the exercise price of the incentive stock option must be at least 110% of the fair market value of the stock subject to the incentive stock option on the date of grant; and

- the term of the incentive stock option must not exceed five years from the date of grant.

The aggregate maximum number of ordinary shares that may be issued pursuant to the exercise of incentive stock options granted under the 2014 Plan is the number of shares subject to the 2014 Plan share reserve.

Terms of Stock Appreciation Rights

Stock appreciation rights may be granted under the 2014 Plan pursuant to stock appreciation right agreements approved by the 2014 Plan Administrator.

Exercise. Each stock appreciation right is denominated in ordinary share equivalents. Upon exercise of a stock appreciation right, New Horizon will pay the participant an amount equal to the excess of (a) the aggregate fair market value on the date of exercise of a number of ordinary share equivalents with respect to which the participant is exercising the stock appreciation right, over (b) the strike price determined by the 2014 Plan Administrator on the date of grant. The appreciation distribution upon exercise of a stock appreciation right may

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be paid in cash, New Horizon ordinary shares, a combination of cash and ordinary shares, or any other form of consideration determined by the 2014 Plan Administrator, provided, however, that where ordinary shares are issued pursuant to a stock appreciation right, the nominal value of each newly issued ordinary share is fully paid up.

Strike Price. The strike price of each stock appreciation right will be determined by the 2014 Plan Administrator but will in no event be less than 100% of the fair market value of New Horizon ordinary shares on the date of grant.

Vesting. Stock appreciation rights vest and become exercisable at the rate specified in the stock appreciation right agreement as determined by the 2014 Plan Administrator.

Term. The term of stock appreciation rights granted under the 2014 Plan may not exceed ten years.

Termination of Service and Restrictions on Transferability. Stock appreciation rights will be subject to the same conditions upon termination of a participant s service and restrictions on transfer as stock options under the 2014 Plan.

Terms of Restricted Stock Awards

Restricted stock awards may be granted under the 2014 Plan pursuant to restricted stock award agreements adopted by the 2014 Plan Administrator.

Consideration. Payment of any purchase price may be made in any legal form acceptable to the 2014 Plan Administrator, provided, however, that where ordinary shares are issued pursuant to a restricted stock award, the nominal value of each newly issued ordinary share is fully paid up.

Vesting. New Horizon ordinary shares acquired under a restricted stock award may be subject to forfeiture to New Horizon in accordance with a vesting schedule to be determined by the 2014 Plan Administrator.

Termination of Service. Generally, restricted stock awards that have not vested will be forfeited upon the participant s termination of continuous service for any reason.

Restrictions on Transfer. Generally, a restricted stock award may be transferred only upon such terms and conditions as are set forth in the restricted stock award agreement.

Terms of Restricted Stock Unit Awards

Restricted stock unit awards may be granted under the 2014 Plan pursuant to restricted stock unit award agreements adopted by the 2014 Plan Administrator.

Consideration. Payment of any purchase price may be made in any legal form acceptable to the 2014 Plan Administrator, provided, however, that where ordinary shares are issued pursuant to a restricted stock unit award, the nominal value of each newly issued ordinary share is fully paid up.

Settlement of Awards. New Horizon will settle a payment due to a recipient of a restricted stock unit award by delivery of New Horizon ordinary shares, by cash, by a combination of cash and stock, or in any other form of consideration determined by the 2014 Plan Administrator and set forth in the restricted stock unit award agreement.

Vesting. New Horizon ordinary shares acquired under a restricted stock unit award may be subject to forfeiture to New Horizon in accordance with a vesting schedule to be determined by the 2014 Plan Administrator.

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Dividend Equivalents. Dividend equivalents may be credited in respect of New Horizon ordinary shares covered by a restricted stock unit award.

Termination of Service. Generally, restricted stock unit awards that have not vested will be forfeited upon the participant s termination of continuous service for any reason.

Restrictions on Transfer. Generally, restricted stock unit awards may be transferred only upon such terms and conditions as are set forth in the restricted stock unit award agreement.

Terms of Performance Awards

General. The 2014 Plan is designed to allow New Horizon to grant cash and stock based performance awards that may qualify as performance-based compensation that is not subject to the $1,000,000 limitation on the income tax deductibility of compensation paid to a covered employee imposed by Section 162(m) of the Code, if certain conditions are met.

Performance Goals. Performance awards may be granted, vest or be exercised based upon the attainment during a specified period of time of specified performance goals. The length of any performance period, the performance goals to be achieved during the performance period, and the measure of whether and to what degree such performance goals have been attained will be determined by the New Horizon compensation committee, except that the New Horizon board of directors also may make any such determinations to the extent that the award is not intended to comply with Section 162(m) of the Code.

In granting a performance award intended to qualify as performance-based compensation under Section 162(m) of the Code, the New Horizon compensation committee will set a period of time, or a performance period, over which the attainment of one or more goals, or performance goals, will be measured. Within the time period prescribed by Section 162(m) of the Code, at a time when the achievement of the performance goals remains substantially uncertain (typically no later than the earlier of the 90th day of a performance period and the date on which 25% of the performance period has elapsed), the New Horizon compensation committee will establish the performance goals, based upon one or more criteria, or performance criteria, enumerated in the 2014 Plan and described below. As soon as administratively practicable following the end of the performance period, the New Horizon compensation committee will certify (in writing) whether the performance goals have been satisfied.

Performance goals under the 2014 Plan will be based on any one or more of, or a combination of the following performance criteria:(1) earnings (including earnings per share and net earnings); (2) earnings before interest, taxes and depreciation; (3) earnings before interest, taxes, depreciation and amortization; (4) total shareholder return; (5) return on equity or average shareholder s equity; (6) return on assets, investment, or capital employed; (7) stock price; (8) margin (including gross margin); (9) income (before or after taxes); (10) operating income; (11) operating income after taxes; (12) pre-tax profit; (13) operating cash flow; (14) sales or revenue targets; (15) increases in revenue or product revenue; (16) expenses and cost reduction goals; (17) improvement in or attainment of working capital levels; (18) economic value added (or an equivalent metric); (19) market share; (20) cash flow; (21) cash flow per share; (22) share price performance; (23) debt reduction; (24) implementation or completion of projects or processes; (25) customer satisfaction; (26) shareholders equity; (27) capital expenditures; (28) debt levels; (29) operating profit or net operating profit; (30) workforce diversity; (31) growth of net income or operating income; (32) billings; and (33) to the extent that an Award is not intended to comply with Section 162(m) of the Code, other measures of performance selected by the New Horizon board of directors.

Performance goals may be based on a company-wide basis, with respect to one or more business units, divisions, affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. In establishing a performance goal, the New Horizon compensation committee (and the board of directors, to the extent that an award is not

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intended to comply with Section 162(m) of the Code) may provide that performance will be appropriately adjusted as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects, as applicable, for non-U.S. dollar denominated performance goals; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; and (5) to exclude the effects of any extraordinary items as determined under generally accepted accounting principles. In addition, the New Horizon board of directors retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of performance goals and to define the manner of calculating the performance criteria it selects to use for a performance period.

Terms of Other Stock Awards

General. The 2014 Plan Administrator may grant other stock awards based in whole or in part by reference to the value of New Horizon ordinary shares. Subject to the provisions of the 2014 Plan, the 2014 Plan Administrator has the authority to determine the persons to whom and the dates on which such other stock awards will be granted, the number of shares of New Horizon ordinary shares (or cash equivalents) to be subject to each award, and other terms and conditions of such awards, provided, however, that where ordinary shares are issued pursuant to other stock awards, the nominal value of each newly issued ordinary share is fully paid up. Such awards may be granted either alone or in addition to other stock awards granted under the 2014 Plan.

Vesting. Other stock awards may be subject to vesting in accordance with a vesting schedule to be determined by the 2014 Plan Administrator.

Changes to Capital Structure

In the event of certain changes to the outstanding New Horizon ordinary shares without New Horizon s receipt of consideration (whether through a stock split or other specified change in New Horizon s capital structure), the 2014 Plan Administrator will appropriately adjust: (1) the class(es) and maximum number of securities subject to the 2014 Plan; (2) the class(es) and maximum number of securities that may be issued pursuant to the exercise of incentive stock options; (3) the class(es) and maximum number of securities that may be awarded to any person pursuant to Section 162(m) limits; and (4) the class(es) and number of securities and the price per share of ordinary shares subject to outstanding stock awards.

Corporate Transactions

In the event of a corporate transaction (as defined in the 2014 Plan and described below), transactions, outstanding stock awards shall be assumed, continued or substituted for similar stock awards by the surviving or acquiring corporation. If any surviving or acquiring corporation fails to assume, continue or substitute such stock awards, the vesting of stock awards held by participants whose continuous service has not terminated will be accelerated in full to a date prior to the corporate transaction as determined by the New Horizon board of directors. All stock awards not assumed, continued or substituted for similar stock awards by the surviving or acquiring corporation will terminate upon the corporate transaction. In addition, the New Horizon board of directors may also provide, in its sole discretion, that the holder of a stock award that will terminate upon the occurrence of a corporate transaction will receive a payment, if any, equal to the excess of (1) the value of the property the participant would have received upon exercise of the stock award over (2) the exercise price otherwise payable in connection with the stock award.

For purposes of the 2014 Plan, a corporate transaction will be deemed to occur in the event of the consummation of (1) a sale or other disposition of all or substantially all of New Horizon s consolidated assets, (2) a sale or other disposition of at least 90% of New Horizon s outstanding securities, (3) a merger, consolidation or similar transaction

following which New Horizon is not the surviving corporation, or (4) a merger, consolidation or similar transaction following which New Horizon is the surviving corporation but the ordinary shares of New Horizon outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

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Change in Control

Under the 2014 Plan, a stock award may be subject to additional acceleration of vesting and exercisability upon or after a change in control (as defined in the 2014 Plan and described below) as may be provided in the stock award agreement or other written agreement with the participant, but in the absence of such provision, no such acceleration will occur.

For purposes of the 2014 Plan, a change of control generally means (i) the acquisition by a person or entity of more than 50% of New Horizon s combined voting power other than by merger, consolidation or similar transaction; (ii) a consummated merger, consolidation or similar transaction immediately after which the New Horizon shareholders cease to own more than 50% of the combined voting power of the surviving entity; (iii) a consummated sale, lease or exclusive license or other disposition of all or substantially all of New Horizon s consolidated assets; (iv) the complete dissolution or liquidation of New Horizon; or (v) when a majority of the New Horizon board of directors becomes comprised of individuals whose nomination, appointment, or election was not approved by a majority of the New Horizon board members or their approved successors. For the avoidance of doubt, any one or more of the above events may be effected pursuant to a compromise or arrangement sanctioned by the Irish courts or a scheme, contract or offer which has become binding on all shareholders under applicable Irish laws, or by means of a takeover bid pursuant to the laws of the European Union, as implemented into Irish law. In addition, the term change in control will not include a sale of assets, merger, or other transaction effected exclusively for the purpose of changing the domicile of New Horizon. The definition of change in control in an agreement between the participant and New Horizon may control with respect to awards subject to the agreement.

Plan Duration, Termination and Amendment

The New Horizon board of directors will have the authority to amend or terminate the 2014 Plan at any time, subject to any required stockholder approval. However, except as otherwise provided in the 2014 Plan, no amendment or termination of the 2014 Plan may impair any rights under awards already granted to a participant unless agreed to by the affected participant. New Horizon will obtain stockholder approval of any amendment to the 2014 Plan as required by applicable law and listing requirements. Unless terminated sooner by the New Horizon board of directors, the 2014 Plan will automatically terminate on the day before the tenth (10th) anniversary of the earlier of (1) the date the Plan is adopted by the Horizon board of directors, or (2) the date the Plan is approved by Horizon stockholders. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

U.S. Federal Income Tax Information

The information set forth below is a summary only and does not purport to be complete. The information is based upon current federal income tax rules and therefore is subject to change when those rules change. Because the tax consequences to any recipient may depend on his or her particular situation, each recipient should consult the recipient s tax adviser regarding the federal, state, local, and other tax consequences of the grant or exercise of an award or the disposition of stock acquired as a result of an award. The 2014 Plan is not qualified under the provisions of Section 401(a) of the Code and is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974. New Horizon s ability to realize the benefit of any tax deductions described below for United States tax purposes depends on New Horizon s generation of taxable income in the United States as well as the requirement of reasonableness, the provisions of Section 162(m) of the Code and the satisfaction of New Horizon s tax reporting obligations. New Horizon is unlikely to be entitled to any tax deduction in Ireland in respect to compensation described below.

Nonstatutory Stock Options

Generally, there is no taxation upon the grant of a nonstatutory stock option if the stock option is granted with an exercise price equal to the fair market value of the underlying stock on the grant date. On exercise, an optionholder will recognize ordinary income equal to the excess, if any, of the fair market value on the date of

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exercise of the stock over the exercise price. If the optionholder is employed by New Horizon or one of its subsidiaries, that income will be subject to withholding taxes. The optionholder s tax basis in those shares will be equal to their fair market value on the date of exercise of the stock option, and the optionholder s capital gain holding period for those shares will begin on that date.

Subject to the requirement of reasonableness, the provisions of Section 162(m) of the Code and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction for United States tax purposes equal to the taxable ordinary income realized by the optionholder.

Incentive Stock Options

The 2014 Plan provides for the grant of stock options that qualify as incentive stock options, as defined in Section 422 of the Code. Under the Code, an optionholder generally is not subject to ordinary income tax upon the grant or exercise of an incentive stock option. If the optionholder holds a share received on exercise of an incentive stock option for more than two years from the date the stock option was granted and more than one year from the date the stock option was exercised, which is referred to as the required holding period, the difference, if any, between the amount realized on a sale or other taxable disposition of that share and the holder s tax basis in that share will be long-term capital gain or loss.

If, however, an optionholder disposes of a share acquired on exercise of an incentive stock option before the end of the required holding period, which is referred to as a disqualifying disposition, the optionholder generally will recognize ordinary income in the year of the disqualifying disposition equal to the excess, if any, of the fair market value of the share on the date the incentive stock option was exercised over the exercise price. However, if the sales proceeds are less than the fair market value of the share on the date of exercise of the stock option, the amount of ordinary income recognized by the optionholder will not exceed the gain, if any, realized on the sale. If the amount realized on a disqualifying disposition exceeds the fair market value of the share on the date of exercise of the stock option, that excess will be short-term or long-term capital gain, depending on whether the holding period for the share exceeds one year.

For purposes of the alternative minimum tax, the amount by which the fair market value of a share of stock acquired on exercise of an incentive stock option exceeds the exercise price of that stock option generally will be an adjustment included in the optionholder s alternative minimum taxable income for the year in which the stock option is exercised. If, however, there is a disqualifying disposition of the share in the year in which the stock option is exercised, there will be no adjustment for alternative minimum tax purposes with respect to that share. In computing alternative minimum taxable income, the tax basis of a share acquired on exercise of an incentive stock option is increased by the amount of the adjustment taken into account with respect to that share for alternative minimum tax purposes in the year the stock option is exercised.

New Horizon is not allowed an income tax deduction with respect to the grant or exercise of an incentive stock option or the disposition of a share acquired on exercise of an incentive stock option after the required holding period. If there is a disqualifying disposition of a share, however, New Horizon are allowed a deduction for United States tax purposes in an amount equal to the ordinary income includible in income by the optionholder, subject to Section 162(m) of the Code and provided that amount constitutes an ordinary and necessary business expense for New Horizon and is reasonable in amount, and either the employee includes that amount in income or New Horizon timely satisfies its reporting requirements with respect to that amount.

Restricted Stock Awards

Generally, the recipient of a restricted stock award will recognize ordinary income at the time the stock is received equal to the excess, if any, of the fair market value of the stock received over any amount paid by the recipient in exchange for the stock. If, however, the stock is not vested when it is received (for example, if the employee is required to work for a period of time in order to have the right to sell the stock), the recipient

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generally will not recognize income until the stock becomes vested, at which time the recipient will recognize ordinary income equal to the excess, if any, of the fair market value of the stock on the date it becomes vested over any amount paid by the recipient in exchange for the stock. A recipient may, however, file an election with the Internal Revenue Service, within 30 days following his or her receipt of the stock award, to recognize ordinary income, as of the date the recipient receives the award, equal to the excess, if any, of the fair market value of the stock on the date the award is granted over any amount paid by the recipient for the stock.

The recipient s basis for the determination of gain or loss upon the subsequent disposition of shares acquired from stock awards will be the amount paid for such shares plus any ordinary income recognized either when the stock is received or when the stock becomes vested.

Subject to the requirement of reasonableness, the provisions of Section 162(m) of the Code and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction for United States tax purposes equal to the taxable ordinary income realized by the recipient of the stock award.

Restricted Stock Unit Awards

Generally, the recipient of a stock unit structured to conform to the requirements of Section 409A of the Code or an exception to Section 409A of the Code will recognize ordinary income at the time the stock is delivered equal to the excess, if any, of the fair market value of the shares of New Horizon ordinary shares received over any amount paid by the recipient in exchange for New Horizon ordinary shares. To conform to the requirements of Section 409A of the Code, New Horizon ordinary shares subject to a restricted stock unit award may generally only be delivered upon one of the following events: a fixed calendar date (or dates), separation from service, death, disability or a change in control. If delivery occurs on another date, unless the restricted stock units otherwise comply with or qualify for an exception to the requirements of Section 409A of the Code, in addition to the tax treatment described above, the recipient will owe an additional 20% federal tax and interest on any taxes owed.

The recipient s basis for the determination of gain or loss upon the subsequent disposition of shares acquired from restricted stock units will be the amount paid for such shares plus any ordinary income recognized when the stock is delivered.

Subject to the requirement of reasonableness, the provisions of Section 162(m) of the Code and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction for United States tax purposes equal to the taxable ordinary income realized by the recipient of the stock award.

Stock Appreciation Rights

Horizon may grant under the 2014 Plan stock appreciation rights separate from any other award or in tandem with other awards under the 2014 Plan.

Where the stock appreciation rights are granted with a strike price equal to the fair market value of the underlying stock on the grant date, the recipient will recognize ordinary income equal to the fair market value of the stock or cash received upon such exercise. Subject to the requirement of reasonableness, the provisions of Section 162(m) of the Code, and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction for United States tax purposes equal to the taxable ordinary income realized by the recipient of the stock appreciation right.

New Plan Benefits

Awards under the 2014 Plan are discretionary and are not subject to set benefits or amounts, and Horizon has not approved any awards that are conditioned on stockholder approval of the 2014 Equity Plan. Accordingly, Horizon cannot currently determine the benefits or number of shares subject to awards that may be granted in the future to executive officers or other employees of New Horizon and its subsidiaries under the 2014 Equity Plan.

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Required Vote and Board Recommendation

Approval of Proposal 3 requires the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote at the special meeting. Abstentions will be counted toward the tabulation of votes cast on the proposal and will have the same effect as Against votes. Broker non-votes are counted towards a quorum but will have no effect on the outcome of the vote.

The vote on this Proposal 3 to approve the 2014 Plan is a vote separate and apart from the vote on Proposal 1 to adopt the Merger Agreement and approve the Merger and is a vote separate and apart from the votes on each of the other proposals, provided, however that if Proposal 4 to approve the Non-Employee Plan is not also approved, then the 2014 Plan will not become effective. Accordingly, except as provided above with respect to Proposal 4 to approve the Non-Employee Plan, you may vote to approve this Proposal 3 and vote against any of the other proposals, or you may vote against this Proposal 3 and vote to adopt the Merger Agreement and approve the Merger and to approve any of the other proposals. Whether or not this Proposal 3 is approved will have no impact on the completion of the Merger. However, if Proposal 1 to adopt the Merger Agreement and approve the Merger is not approved, or if the Merger is otherwise not completed, then the 2014 Plan will not become effective.

The Horizon board of directors believes that approval of Proposal 3 is in Horizon s best interests and the best interests of Horizon stockholders for the reasons stated above.

The Horizon board of directors unanimously recommends that Horizon stockholders vote FOR this Proposal 3 to approve the 2014 Equity Incentive Plan.

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PROPOSAL 4

APPROVAL OF 2014 NON-EMPLOYEE EQUITY PLAN

The 2014 Non-Employee Equity Plan, which is referred to in this proxy statement/prospectus as the Non-Employee Plan, was adopted by the Horizon board of directors on May 17, 2014, subject to stockholder approval of and consummation of the Merger and stockholder approval of this Proposal 4 and stockholder approval of Proposal 3 for adoption of the 2014 Plan. The Non-Employee Plan was adopted for purposes of compliance with the requirements of applicable Irish laws and to permit grants of equity awards to non-employee directors and consultants of New Horizon and its subsidiaries following the Merger. If the Merger is consummated, it is intended that for purposes of granting equity awards to non-employee directors and consultants of New Horizon and its subsidiaries the Non-Employee Plan will serve as the successor to and continuation of the 2011 Plan following the Merger. If Horizon s stockholders do not approve this Proposal 4, do not approve Proposal 3, or if the Merger is not consummated, then the Non-Employee Plan will not become effective.

In this Proposal 4, the Horizon board of directors is requesting stockholder approval of the Non-Employee Plan. If the stockholders approve Proposal 3 for the adoption of the 2014 Plan and also approve this Proposal 4 and the Merger is consummated, the Non-Employee Plan will become effective immediately prior to the effective time of the Merger and will be assumed by New Horizon at the effective time of the Merger, and will be used to grant awards to non-employee directors and consultants of New Horizon and its subsidiaries after completion of the Merger. Accordingly, approval of this Proposal 4 to approve the Non-Employee Plan will also constitute approval by Horizon stockholders of the assumption of the Non-Employee Plan in the Merger by New Horizon.

No additional stock awards will be granted under the 2011 Plan after the Non-Employee Plan becomes effective, although all outstanding stock awards granted under the Prior Plans will continue to be subject to the terms and conditions set forth in the agreements evidencing such stock awards and the Prior Plans, as applicable.

A description of the material terms of the Non-Employee Plan are summarized below. The key differences between the terms of the Non-Employee Plan and the terms of the 2014 Plan are as follows:

- Only non-employee directors and consultants of New Horizon and its subsidiaries will be eligible to participate in the Non-Employee Plan.

- The share reserve of the Non-Employee Plan will be limited to a maximum of 2,500,000 shares.

- The Non-Employee Plan will have a term of five (5) years that will expire on May 16, 2019, unless earlier terminated by the board of directors of New Horizon.

- The Non-Employee Plan does not provide for the grant of incentive stock options.

- The Non-Employee Plan does not provide for awards that would qualify as performance-based compensation for purposes of Section 162(m) of the Code.

The Non-Employee Plan does not provide for automatic forfeiture of an outstanding option or stock appreciation right in the event of a termination for cause.

Reasons to Approve the Non-Employee Plan

The Horizon board of directors believes that the approval of the Non-Employee Plan is necessary to enable New Horizon to continue to grant stock options and other awards to non-employee directors and consultants of New Horizon and its subsidiaries at levels reasonably necessary to attract, retain and motivate talent after completion of the Merger. The Non-Employee Plan will also allow New Horizon to utilize a broad array of equity incentives in order to secure and retain the services of non-employee directors and consultants of New Horizon and its subsidiaries, and to provide long term incentives that align the interests of non-employee directors and consultants with the interests of New Horizon shareholders.

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Historical Information Regarding Prior Plans, Overhang, Total Ordinary Shares Outstanding at the Merger Effective Time, Burn Rate and Forecasted Burn Rate

For information regarding Horizon s equity grant program please see the descriptions in *Historical Information Regarding Prior Plans*, *Overhang,* *Total Ordinary Shares Outstanding at the Merger Effective Time,* *Burn Rate* and *Forecasted Overhang and Burn Rate* in Proposal 3 of this proxy statement/prospectus.

Forecasted Utilization Rates

Horizon manages its long-term stockholder dilution by limiting the number of equity incentive awards granted annually. Horizon carefully monitor its annual burn rate, dilution, and equity expense to ensure that it maximizes stockholders value by granting only the appropriate number of equity incentive awards necessary to attract, reward, and retain employees, directors and consultants. Prior to approving the Non-Employee Plan, the Horizon board of directors reviewed certain management forecasts of equity awards for issuance under the Non-Employee Plan as set forth below. After forecasting Horizon s anticipated growth rate for the next few years, Horizon believes that the number of shares reserved for issuance under the Non-Employee Plan will be sufficient for at least three years of equity grant activity under Horizon current compensation program for non-employees. The information in the table below also includes certain historical information and forecasts with respect to the operation of the 2011 Plan with respect to non-employee awards as a predecessor plan to the Non-Employee Plan.

Non-Employee Awards	Fiscal 2013 Actual	Fiscal 2014 Forecast	Fiscal 2015 Forecast
Shares Outstanding Ending Balance	66,097,417	141,798,318	142,396,380
Options Outstanding Ending Balance	158,879	243,879	1,143,879
Shares Available for Award Beginning Balance[1]			2,100,000
Stockholder Approval Non-Employee Plan		2,500,000	
Allocations Options	(85,000)	(400,000)	(500,000)
Shares Available for Award Ending Balance		2,100,000	1,600,000

(1) For historical information regarding the shares available for award under the 2011 Plan, see *Forecasted Utilization Rates* in Proposal 3 of this proxy statement/prospectus

In addition, the Horizon board of directors reviewed certain forecasts of grant utilization for different categories of non-employee grants over the three annual periods indicated below. These forecasts included forecasts for director and consultant awards.

Non-Employee Awards	Fiscal 2013 Actual	Fiscal 2014 Forecast	Fiscal 2015 Forecast
Option Grants			
-Directors	80,000	300,000	400,000
-Consultants	5,000	100,000	100,000
Subtotal Option Grants	85,000	400,000	500,000
Total	85,000	400,000	500,000

Note Regarding Forecasts and Forward-Looking Statements

Horizon does not as a matter of course make public forecasts as to its total shares outstanding and utilization of various equity awards due to the unpredictability of the underlying assumptions and estimates. In particular, the forecasts set forth above in this Proposal 4 include embedded assumptions regarding option exercise which are highly dependent on the public trading price of Horizon s ordinary shares and other factors, which Horizon

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does not control and, as a result, Horizon does not as a matter of practice provide forecasts. In evaluating these forecasts, the Horizon board of directors recognized the high variability inherent in these assumptions.

However, Horizon has included above a summary of these forecasts to give Horizon stockholders access to certain information that was considered by the Horizon board of directors for purposes of evaluating this Proposal 4. These forecasts reflect various assumptions regarding Horizon s future operations.

The inclusion of the forecasts set forth above should not be regarded as an indication that these forecasts will be predictive of actual future outcomes, and the forecasts should not be relied upon as such. Neither Horizon nor any other person makes any representation to any of Horizon s stockholders regarding actual outcomes compared to the information contained in the forecasts set forth above. Although presented with numerical specificity, the forecasts are not fact and reflect numerous assumptions and estimates as to future events made by Horizon s management that Horizon s management believed were reasonable at the time the forecasts were prepared and other factors such as industry performance and general business, economic, regulatory, market and financial conditions, as well as factors specific to Horizon s business, all of which are difficult to predict and many of which are beyond the control of Horizon s management. In addition, the utilization forecasts with respect to Horizon s equity awards do not take into account any circumstances or events occurring after the date that they were prepared and, accordingly, do not give effect to any changes to Horizon s operations or strategy that may be implemented in the future. Accordingly, actual outcomes may be, and likely will be, materially different than those reflected in the forecasts. Horizon does not intend to update or otherwise revise the forecasts to reflect circumstances existing after the date when made or to reflect the occurrence of future events even if any or all of the assumptions underlying the forecasts are shown to be in error. The forecasts are forward-looking statements within the meaning of Section 27A of the 1933 Act and Section 21A of the 1934 Act. These statements involve risks and uncertainties that could cause actual outcomes to differ materially from those in the forward-looking statements, including Horizon s ability to attract and retain talent, achievement of performance metrics, if any, with respect to certain equity awards, the extent of option exercise activity, and other factors described in this proxy statement/prospectus.

The Non-Employee Plan Combines Compensation and Governance Best Practices

The Non-Employee Plan includes provisions that are designed to protect the New Horizon shareholders interests and to reflect corporate governance best practices including:

Repricing is not allowed without stockholder approval. The Non-Employee Plan prohibits the repricing of outstanding equity awards and the cancelation of any outstanding equity awards that have an exercise price or strike price greater than the current fair market value of New Horizon ordinary shares in exchange for cash or other stock awards under the Non-Employee Plan without prior stockholder approval.

Stockholder approval is required for additional shares. The Non-Employee Plan does not contain an annual evergreen provision. The Non-Employee Plan authorizes a fixed number of shares, so that stockholder approval is required to issue any additional shares, allowing the New Horizon shareholders to have direct input on New Horizon s equity compensation programs.

Fungible share reserve. The Non-Employee Plan has a fungible share reserve, which increases the rate at which the share reserve is depleted for stock awards other than stock options and stock appreciation rights, in

order to minimize stockholder dilution. The number of shares available for issuance under the Non-Employee Plan will be reduced by one share for each ordinary share subject to a stock option or stock appreciation right and by 1.29 shares for each ordinary share subject to any other type of award issued pursuant to the Non-Employee Plan, and such ordinary shares will return to the share reserve at the same rates.

Reasonable share counting provisions. In general, when awards granted under the Non-Employee Plan lapse or are canceled, the shares reserved for those awards will be returned to the share reserve and be available for future awards. However, ordinary shares tendered to New Horizon or withheld by New

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Horizon as consideration for of the exercise price of stock options or stock appreciation rights, to cover tax withholding obligations upon exercise of stock options or stock appreciation rights, or to cover tax withholding obligations related to any other stock awards will not be returned to the Non-Employee Plan s share reserve.

No liberal change in control provisions. The definition of change in control in the Non-Employee Plan requires the consummation of an actual transaction so that no vesting acceleration benefits may occur without an actual change in control transaction occurring.

No discounted stock options or stock appreciation rights. All stock options and stock appreciation rights granted pursuant to the Non-Employee Plan must have an exercise price equal to or greater than the fair market value of New Horizon ordinary shares on the date the stock option or stock appreciation right is granted.

Description of the Non-Employee Plan

The material features of the Non-Employee Plan are outlined below. The following summary describes the material features of the Non-Employee Plan as it would be in effect upon consummation of the Merger, assumption of the Non-Employee Plan by New Horizon, and conversion of the shares of Horizon common stock available for grant under the Non-Employee Plan into New Horizon ordinary shares. This summary is qualified in its entirety by reference to the complete text of the Non-Employee Plan which also reflects the changes described in the preceding sentence. Stockholders are urged to read the actual text of the Non-Employee Plan, which is appended to this proxy statement/prospectus as Annex E and may be accessed from the SEC s website at www.sec.gov.

Types of Awards

The Non-Employee Plan provides for the grant of nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, and other forms of stock awards.

Purpose

The Horizon board of directors adopted the Non-Employee Plan to provide a means to secure and retain the services of non-employee directors and consultants of New Horizon and its subsidiaries, to provide incentives for such persons to exert maximum efforts for the success of New Horizon and its subsidiaries and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in the value of New Horizon ordinary shares through the granting of stock awards pursuant to the Non-Employee Plan.

Shares Available for Awards under the Non-Employee Plan

An aggregate of 2,500,000 New Horizon ordinary shares are reserved for issuance under the Non-Employee Plan.

The number of ordinary shares available for issuance under the Non-Employee Plan will be reduced by (1) one share for each ordinary share issued pursuant to an option grant or stock appreciation right with a strike price of at least 100% of the fair market value of the underlying ordinary shares on the date of grant, and (2) 1.29 shares for each ordinary share issued pursuant to restricted stock awards, restricted stock unit awards, or other stock awards granted under the Non-Employee Plan.

To the extent there is an ordinary share issued pursuant to a stock award, other than a stock option or stock appreciation right with a strike price of at least 100% of the fair market value of the underlying ordinary shares on the date of grant, and such ordinary share becomes available for issuance under the Non-Employee Plan, then the number of ordinary shares available for issuance under the Non-Employee Plan will increase by 1.29 shares.

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Any shares subject to a stock award that are not delivered to a participant because the stock award is exercised through a reduction of shares subject to the stock award (i.e., net exercised) and any shares tendered as payment for the exercise or purchase price of a stock award will not again become available for issuance under the Non-Employee Plan. Additionally, any shares withheld by New Horizon pursuant to New Horizon s withholding obligations in connection with a stock option, stock appreciation right or other stock award will not again become available for issuance under the Non-Employee Plan.

However, if a stock award expires or otherwise terminates without all of the shares covered by such stock award having been issued in full or is settled in cash, such expiration, termination or settlement will not reduce (or otherwise offset) the number of ordinary shares that may be available for issuance under the Non-Employee Plan. If any ordinary shares issued pursuant to a stock award are forfeited back to, redeemed or repurchased by New Horizon because of the failure to meet a contingency or condition required to vest such shares, then the shares that are forfeited, redeemed or repurchased will revert to and again become available for issuance under the Non-Employee Plan.

Administration

The New Horizon board of directors has authority to administer the Non-Employee Plan. Subject to the provisions of the Non-Employee Plan, the New Horizon board of directors has the authority to construe and interpret the Non-Employee Plan, to determine the persons to whom and the dates on which awards will be granted, the number of ordinary shares to be subject to each stock award, the time or times during the term of each stock award within which all or a portion of the award may be exercised, the fair market value applicable to a stock award, the exercise price of stock options and stock appreciation rights, the type of consideration permitted to exercise or purchase each stock award, and other terms and conditions.

The New Horizon board of directors has the authority to delegate some or all of the administration of the Non-Employee Plan to a committee or committees. In the discretion of the New Horizon board of directors, a committee may consist solely of two or more non-employee directors within the meaning of Rule 16b-3 of the Exchange Act. For this purpose, a non-employee director generally is a director who does not receive remuneration from New Horizon other than compensation for service as a director (except for amounts not in excess of specified limits applicable pursuant to Rule 16b-3 under the Exchange Act). An outside director generally is a director who is neither a current or former officer nor a current employee of New Horizon, does not receive any remuneration from New Horizon other than compensation for service as a director, and is not employed by and does not have ownership interests in an entity that receives remuneration from New Horizon. If administration is delegated to a committee, the committee has the authority to delegate certain administrative powers to a subcommittee. As used herein in this Proposal 4 with respect to the Non-Employee Plan, the Non-Employee Plan Administrator refers to any committee the New Horizon board of directors appoints or, if applicable, any subcommittee, as well as to the board of directors itself.

Repricing; Cancellation and Re-Grant of Stock Awards

Subject to the approval of this Proposal 4, under the Non-Employee Plan, the Non-Employee Plan Administrator does not have the authority to reprice any outstanding stock option or stock appreciation right by reducing the exercise, purchase, or strike price of the stock option or stock appreciation right or to cancel any outstanding stock option or stock appreciation right that has an exercise price greater than the current fair market value of New Horizon ordinary shares in exchange for cash or other stock awards without obtaining the approval of the New Horizon shareholders within 12 months prior to the repricing or cancellation and re-grant event.

Eligibility

All of the non-employee directors and consultants of New Horizon and its subsidiaries will be eligible to participate in the Non-Employee Plan and may receive all types of stock awards under the Non-Employee Plan.

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As of the record date, there were approximately eight non-employee directors and consultants of Horizon and approximately one non-employee director and consultant of Vidara and its subsidiaries that would be eligible to receive grants under the Non-Employee Plan if the Merger is consummated.

Terms of Stock Options

Stock options may be granted under the Non-Employee Plan pursuant to stock option agreements adopted by the Non-Employee Plan Administrator. The Non-Employee Plan permits the grant of nonstatutory stock options. The following is a description of the permissible terms of stock options under the Non-Employee Plan. Individual stock option agreements may be more restrictive as to any or all of the permissible terms described below.

Exercise Price. The exercise price of nonstatutory stock options may not be less than 100% of the fair market value of the ordinary shares subject to the stock option on the date of grant unless certain conditions apply, provided, however, that in all cases the exercise price must not be less than the nominal value of an ordinary share of New Horizon.

Consideration. Acceptable forms of consideration for the purchase of New Horizon ordinary shares pursuant to the exercise of a stock option under the Non-Employee Plan will be determined by the Non-Employee Plan Administrator and may include any combination of the following, below, provided, however, that where ordinary shares are issued pursuant to the exercise of an option, the nominal value of each newly issued ordinary share is fully paid up: (1) cash, check, bank draft or money order made payable to New Horizon, (2) payment pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board, (3) a net exercise arrangement, provided, however, that irrespective of whether a net exercise arrangement is used, the nominal value of each newly issued ordinary share will be fully paid up in cash, or (4) other legal consideration approved by the Non-Employee Plan Administrator and permissible under applicable law.

Vesting. Stock options granted under the Non-Employee Plan may become exercisable in cumulative increments, or vest, as determined by the Non-Employee Plan Administrator at the rate specified in the stock option agreement. Shares covered by different stock options granted under the Non-Employee Plan may be subject to different vesting schedules as the Non-Employee Plan Administrator may determine. The Non-Employee Plan Administrator also has flexibility to provide for accelerated vesting of stock options in certain events.

Term. The term of stock options granted under the Non-Employee Plan may not exceed five years.

Termination of Service. Except as explicitly provided otherwise in an optionholder s stock option agreement, stock options granted under the Non-Employee Plan generally terminate three months after termination of the optionholder s service unless (1) termination is due to the optionholder s disability, in which case the stock option may be exercised (to the extent the stock option was exercisable at the time of the termination of service) at any time within 12 months following termination; (2) the optionholder dies before the optionholder s service has terminated, or within the period (if any) specified in the stock option agreement after termination of service for a reason other than death, in which case the stock option may be exercised (to the extent the stock option was exercisable at the time of the optionholder s death) within 18 months following the optionholder s death by the person or persons to whom the rights to such stock option have passed; or (3) the stock option by its terms specifically provides otherwise. A stock option term may be extended in the event that exercise of the stock option following termination of service is prohibited by applicable securities laws or if the sale of stock received upon exercise of a stock option would violate New Horizon s insider trading policy. In no event may a stock option be exercised after its original expiration date.

Restrictions on Transfer. Generally, a participant may not transfer a stock option other than by will or the laws of descent and distribution or a domestic relations, official marital settlement agreement or other divorce or

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separation instrument permitted under applicable law. However, the Non-Employee Plan Administrator may grant nonstatutory stock options that are transferable in certain limited instances. The Non-Employee Plan Administrator may also allow a participant to designate a beneficiary who may exercise an option following the participant s death.

Terms of Stock Appreciation Rights

Stock appreciation rights may be granted under the Non-Employee Plan pursuant to stock appreciation right agreements approved by the Non-Employee Plan Administrator.

Exercise. Each stock appreciation right is denominated in ordinary share equivalents. Upon exercise of a stock appreciation right, New Horizon will pay the participant an amount equal to the excess of (a) the aggregate fair market value on the date of exercise of a number of ordinary share equivalents with respect to which the participant is exercising the stock appreciation right, over (b) the strike price determined by the Non-Employee Plan Administrator on the date of grant. The appreciation distribution upon exercise of a stock appreciation right may be paid in cash, New Horizon ordinary shares, a combination of cash and ordinary shares, or any other form of consideration determined by the Non-Employee Plan Administrator, provided, however, that where ordinary shares are issued pursuant to a stock appreciation right, the nominal value of each newly issued ordinary share is fully paid up.

Strike Price. The strike price of each stock appreciation right will be determined by the Non-Employee Plan Administrator but will in no event be less than 100% of the fair market value of New Horizon ordinary shares on the date of grant.

Vesting. Stock appreciation rights vest and become exercisable at the rate specified in the stock appreciation right agreement as determined by the Non-Employee Plan Administrator.

Term. The term of stock appreciation rights granted under the Non-Employee Plan may not exceed ten years.

Termination of Service and Restrictions on Transferability. Stock appreciation rights will be subject to the same conditions upon termination of a participant s service and restrictions on transfer as stock options under the Non-Employee Plan.

Terms of Restricted Stock Awards

Restricted stock awards may be granted under the Non-Employee Plan pursuant to restricted stock award agreements adopted by the Non-Employee Plan Administrator.

Consideration. Payment of any purchase price may be made in any legal form acceptable to the Non-Employee Plan Administrator, provided, however, that where ordinary shares are issued pursuant to a restricted stock award, the nominal value of each newly issued ordinary share is fully paid up.

Vesting. New Horizon ordinary shares acquired under a restricted stock award may be subject to forfeiture to New Horizon in accordance with a vesting schedule to be determined by the Non-Employee Plan Administrator.

Termination of Service. Generally, restricted stock awards that have not vested will be forfeited upon the participant s termination of continuous service for any reason.

Restrictions on Transfer. Generally, a restricted stock award may be transferred only upon such terms and conditions as are set forth in the restricted stock award agreement.

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Terms of Restricted Stock Unit Awards

Restricted stock unit awards may be granted under the Non-Employee Plan pursuant to restricted stock unit award agreements adopted by the Non-Employee Plan Administrator.

Consideration. Payment of any purchase price may be made in any legal form acceptable to the Non-Employee Plan Administrator, provided, however, that where ordinary shares are issued pursuant to a restricted stock unit award, the nominal value of each newly issued ordinary share is fully paid up.

Settlement of Awards. New Horizon will settle a payment due to a recipient of a restricted stock unit award by delivery of New Horizon ordinary shares, by cash, by a combination of cash and stock, or in any other form of consideration determined by the Non-Employee Plan Administrator and set forth in the restricted stock unit award agreement.

Vesting. New Horizon ordinary shares acquired under a restricted stock unit award may be subject to forfeiture to New Horizon in accordance with a vesting schedule to be determined by the Non-Employee Plan Administrator.

Dividend Equivalents. Dividend equivalents may be credited in respect of New Horizon ordinary shares covered by a restricted stock unit award.

Termination of Service. Generally, restricted stock unit awards that have not vested will be forfeited upon the participant s termination of continuous service for any reason.

Restrictions on Transfer. Generally, restricted stock unit awards may be transferred only upon such terms and conditions as are set forth in the restricted stock unit award agreement.

Terms of Other Stock Awards

General. The Non-Employee Plan Administrator may grant other stock awards based in whole or in part by reference to the value of New Horizon ordinary shares. Subject to the provisions of the Non-Employee Plan, the Non-Employee Plan Administrator has the authority to determine the persons to whom and the dates on which such other stock awards will be granted, the number of shares of New Horizon ordinary shares (or cash equivalents) to be subject to each award, and other terms and conditions of such awards, provided, however, that where ordinary shares are issued pursuant to other stock awards, the nominal value of each newly issued ordinary share is fully paid up. Such awards may be granted either alone or in addition to other stock awards granted under the Non-Employee Plan.

Vesting. Other stock awards may be subject to vesting in accordance with a vesting schedule to be determined by the Non-Employee Plan Administrator.

Changes to Capital Structure

In the event of certain changes to the outstanding New Horizon ordinary shares without New Horizon s receipt of consideration (whether through a stock split or other specified change in New Horizon s capital structure), the Non-Employee Plan Administrator will appropriately adjust: (1) the class(es) and maximum number of securities subject to the Non-Employee Plan and (2) the class(es) and number of securities and the price per share of ordinary shares subject to outstanding stock awards.

Corporate Transactions

In the event of a corporate transaction (as defined in the Non-Employee Plan and described below), transactions, outstanding stock awards shall be assumed, continued or substituted for similar stock awards by the surviving or acquiring corporation. If any surviving or acquiring corporation fails to assume, continue or

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substitute such stock awards, the vesting of stock awards held by participants whose continuous service has not terminated will be accelerated in full to a date prior to the corporate transaction as determined by the New Horizon board of directors. If any surviving or acquiring corporation fails to assume, continue or substitute such stock awards they will terminate upon the corporate transaction. In addition, the New Horizon board of directors may also provide, in its sole discretion, that the holder of a stock award that will terminate upon the occurrence of a corporate transaction will receive a payment, if any, equal to the excess of (1) the value of the property the participant would have received upon exercise of the stock award over (2) the exercise price otherwise payable in connection with the stock award.

For purposes of the Non-Employee Plan, a corporate transaction will be deemed to occur in the event of the consummation of (1) a sale or other disposition of all or substantially all of New Horizon s consolidated assets, (2) a sale or other disposition of at least 90% of New Horizon s outstanding securities, (3) a merger, consolidation or similar transaction following which New Horizon is not the surviving corporation, or (4) a merger, consolidation or similar transaction following which New Horizon is the surviving corporation but the ordinary shares of New Horizon outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

Change in Control

Under the Non-Employee Plan, a stock award may be subject to additional acceleration of vesting and exercisability upon or after a change in control (as defined in the Non-Employee Plan and described below) as may be provided in the stock award agreement or other written agreement with the participant, but in the absence of such provision, no such acceleration will occur.

For purposes of the Non-Employee Plan, a change of control generally means (i) the acquisition by a person or entity of more than 50% of New Horizon s combined voting power other than by merger, consolidation or similar transaction; (ii) a consummated merger, consolidation or similar transaction immediately after which the New Horizon shareholders cease to own more than 50% of the combined voting power of the surviving entity; (iii) a consummated sale, lease or exclusive license or other disposition of all or substantially of New Horizon s consolidated assets; (iv) the complete dissolution or liquidation of New Horizon; or (v) when a majority of the New Horizon board of directors becomes comprised of individuals whose nomination, appointment, or election was not approved by a majority of the New Horizon board members or their approved successors. For the avoidance of doubt, any one or more of the above events may be effected pursuant to a compromise or arrangement sanctioned by the Irish courts or a scheme, contract or offer which has become binding on all shareholders under applicable Irish laws, or by means of a takeover bid pursuant to the laws of the European Union, as implemented into Irish law. In addition, the term change in control will not include a sale of assets, merger, or other transaction effected exclusively for the purpose of changing the domicile of New Horizon. The definition of change in control in an agreement between the participant and New Horizon may control with respect to awards subject to the agreement.

Plan Duration, Termination and Amendment

The New Horizon board of directors will have the authority to amend or terminate the Non-Employee Plan at any time, subject to any required stockholder approval. However, except as otherwise provided in the Non-Employee Plan, no amendment or termination of the Non-Employee Plan may impair any rights under awards already granted to a participant unless agreed to by the affected participant. New Horizon will obtain stockholder approval of any amendment to the Non-Employee Plan as required by applicable law and listing requirements. Unless terminated sooner by the New Horizon board of directors, the Non-Employee Plan will automatically terminate on the day before the fifth (5th) anniversary of the earlier of (1) the date the Plan is adopted by the Horizon board of directors, or (2) the date the Plan is approved by the stockholders of Horizon. No Awards may be granted under the Plan while the Plan is

suspended or after it is terminated.

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U.S. Federal Income Tax Information

The information set forth below is a summary only and does not purport to be complete. The information is based upon current federal income tax rules and therefore is subject to change when those rules change. Because the tax consequences to any recipient may depend on his or her particular situation, each recipient should consult the recipient s tax adviser regarding the federal, state, local, and other tax consequences of the grant or exercise of an award or the disposition of stock acquired as a result of an award. The Non-Employee Plan is not qualified under the provisions of Section 401(a) of the Code and is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974. New Horizon s ability to realize the benefit of any tax deductions for United States tax purposes described below depends on New Horizon s generation of taxable income in the United States as well as the requirement of reasonableness and the satisfaction of New Horizon s tax reporting obligations.

Nonstatutory Stock Options

Generally, there is no taxation upon the grant of a nonstatutory stock option if the stock option is granted with an exercise price equal to the fair market value of the underlying stock on the grant date. On exercise, an optionholder will recognize ordinary income equal to the excess, if any, of the fair market value on the date of exercise of the stock over the exercise price. If the optionholder is employed by New Horizon or one of its subsidiaries, that income will be subject to withholding taxes. The optionholder s tax basis in those shares will be equal to their fair market value on the date of exercise of the stock option, and the optionholder s capital gain holding period for those shares will begin on that date.

Subject to the requirement of reasonableness and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction for United States tax purposes equal to the taxable ordinary income realized by the optionholder.

Restricted Stock Awards

Generally, the recipient of a restricted stock award will recognize ordinary income at the time the stock is received equal to the excess, if any, of the fair market value of the stock received over any amount paid by the recipient in exchange for the stock. If, however, the stock is not vested when it is received (for example, if the employee is required to work for a period of time in order to have the right to sell the stock), the recipient generally will not recognize income until the stock becomes vested, at which time the recipient will recognize ordinary income equal to the excess, if any, of the fair market value of the stock on the date it becomes vested over any amount paid by the recipient in exchange for the stock. A recipient may, however, file an election with the Internal Revenue Service, within 30 days following his or her receipt of the stock award, to recognize ordinary income, as of the date the recipient receives the award, equal to the excess, if any, of the fair market value of the stock on the date the award is granted over any amount paid by the recipient for the stock.

The recipient s basis for the determination of gain or loss upon the subsequent disposition of shares acquired from stock awards will be the amount paid for such shares plus any ordinary income recognized either when the stock is received or when the stock becomes vested.

Subject to the requirement of reasonableness and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction for United States tax purposes equal to the taxable ordinary income realized by the recipient of the stock award.

Restricted Stock Unit Awards

Generally, the recipient of a stock unit structured to conform to the requirements of Section 409A of the Code or an exception to Section 409A of the Code will recognize ordinary income at the time the stock is delivered equal to the excess, if any, of the fair market value of the shares of New Horizon s ordinary shares received over any amount paid by the recipient in exchange for New Horizon ordinary shares. To conform to the requirements of Section 409A of the Code, New Horizon ordinary shares subject to a restricted stock unit award

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may generally only be delivered upon one of the following events: a fixed calendar date (or dates), separation from service, death, disability or a change in control. If delivery occurs on another date, unless the restricted stock units otherwise comply with or qualify for an exception to the requirements of Section 409A of the Code, in addition to the tax treatment described above, the recipient will owe an additional 20% federal tax and interest on any taxes owed.

The recipient s basis for the determination of gain or loss upon the subsequent disposition of shares acquired from restricted stock units will be the amount paid for such shares plus any ordinary income recognized when the stock is delivered.

Subject to the requirement of reasonableness and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the recipient of the stock award.

Stock Appreciation Rights

Horizon may grant under the Non-Employee Plan stock appreciation rights separate from any other award or in tandem with other awards under the Non-Employee Plan.

Where the stock appreciation rights are granted with a strike price equal to the fair market value of the underlying stock on the grant date, the recipient will recognize ordinary income equal to the fair market value of the stock or cash received upon such exercise. Subject to the requirement of reasonableness and the satisfaction of a tax reporting obligation, New Horizon will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the recipient of the stock appreciation right.

New Plan Benefits

Awards under the Non-Employee Plan are discretionary and are not subject to set benefits or amounts, and Horizon has not approved any awards that are conditioned on stockholder approval of the Non-Employee Plan. Accordingly, Horizon cannot currently determine the benefits or number of shares subject to awards that may be granted in the future to executive officers, directors or employees under the Non-Employee Plan.

Required Vote and Board Recommendation

Approval of Proposal 4 requires the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote at the special meeting. Abstentions will be counted toward the tabulation of votes cast on the proposal and will have the same effect as Against votes. Broker non-votes are counted towards a quorum but will have no effect on the outcome of the vote.

The vote on this Proposal 4 to approve the Non-Employee Plan is a vote separate and apart from the vote on Proposal 5 to adopt the Merger Agreement and approve the Merger and is a vote separate and apart from the votes on each of the other proposals, provided, however that if Proposal 3 to approve the 2014 Plan is not also approved, then the Non-Employee Plan will not become effective. Accordingly, except as provided above with respect to Proposal 3 to approve the 2014 Plan, you may vote to approve this Proposal 4 and vote against any of the other proposals, or you may vote against this Proposal 4 and vote to adopt the Merger Agreement and approve the Merger and to approve any of the other proposals. Whether or not this Proposal 4 is approved will have no impact on the completion of the Merger. However, if Proposal 1 to adopt the Merger Agreement and approve the Merger is not approved, or if the Merger is otherwise not completed, then the Non-Employee Plan will not become effective.

The Horizon board of directors believes that approval of Proposal 4 is in Horizon s best interests and the best interests of Horizon stockholders for the reasons stated above.

The Horizon board of directors unanimously recommends that Horizon stockholders vote FOR this Proposal 4 to approve the 2014 Non-Employee Equity Plan.

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PROPOSAL 5

APPROVAL OF THE 2014 EMPLOYEE STOCK PURCHASE PLAN

On May 17, 2014, the Horizon board of directors adopted the 2014 Employee Stock Purchase Plan, which is referred to in this proxy statement/prospectus as the 2014 ESPP, subject to stockholder approval and consummation of the Merger and stockholder approval of this Proposal 5. The 2014 ESPP was adopted for purposes of compliance with the requirements of applicable Irish laws and to permit the grant of purchase rights under offerings to employees of New Horizon and its subsidiaries following the Merger.

If the 2014 ESPP is approved by Horizon stockholders and the Merger is consummated, the 2014 ESPP will become effective immediately prior to the effective time of the Merger. In addition, the 2014 ESPP will be assumed by New Horizon at the effective time of the Merger and the shares of Horizon common stock available for grant under the 2014 ESPP will be converted into an equal number of New Horizon ordinary shares. Accordingly, approval of this Proposal 5 to approve the 2014 ESPP will also constitute approval by Horizon stockholders of the assumption of the 2014 ESPP in the Merger by New Horizon.

If Horizon stockholders do not approve this Proposal 5 or if the Merger is not consummated, then the 2014 ESPP will not become effective. If the Merger is consummated, but Horizon stockholders have not approved this Proposal 5, then the 2011 ESPP will be assumed by New Horizon in the Merger pursuant to the Merger Agreement and New Horizon may continue to grant purchase rights under the 2011 ESPP following the Merger in accordance with its terms.

The 2014 ESPP is intended to be the successor plan to the Horizon Pharma, Inc. 2011 Employee Stock Purchase Plan, which is referred to in this proxy statement/prospectus as the 2011 ESPP, following the Merger. If the 2014 ESPP becomes effective, no additional offerings will commence and no additional purchase rights will be granted under the 2011 ESPP, although all purchase rights outstanding under any offering that commenced under the 2011 ESPP prior to the Merger, which are referred to in this proxy statement/prospectus as the Outstanding Purchase Rights shall remain outstanding pursuant to their existing terms. There will be no further evergreen increases to the 2011 ESPP share reserve if the 2014 ESPP becomes effective.

A description of the material terms of the 2014 ESPP are summarized below. The key differences between the terms of the 2014 ESPP and the terms of the 2011 ESPP are as follows:

- Employees of New Horizon and its subsidiaries are eligible to participate in offerings under the 2014 ESPP.

- The share reserve of the 2014 ESPP will be limited to a maximum of 10,465,879 shares, which number consists of: (i) 9,000,000 shares, plus (ii) the number of shares that remain available for issuance under the 2011 ESPP after all Outstanding Purchase Rights under the 2011 ESPP are exercised.

- The 2014 ESPP will not include an evergreen share reserve increase provision.

Reasons to Approve the 2014 ESPP

If the 2014 ESPP is approved by Horizon stockholders and the Merger is consummated, the 2014 ESPP may be used to grant purchase rights to employees of New Horizon and its designated subsidiaries after completion of the Merger. The Horizon board of directors believes that the approval of the 2014 ESPP is necessary to enable New Horizon to grant purchase rights to its employees and the employees of its designated subsidiaries to assist New Horizon in attracting, retaining and motivating qualified employees after completion of the Merger and in aligning their long-term interests with those of New Horizon shareholders.

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Stock Subject to the 2014 ESPP and Total New Horizon Ordinary Shares Outstanding at the Effective Time

Subject to this Proposal, a maximum of 10,465,879 shares are reserved for issuance under the 2014 ESPP, which number consists of: (i) 9,000,000 shares, plus (ii) the number of shares that remain available for issuance under the 2011 ESPP after all Outstanding Purchase Rights under the 2011 ESPP are exercised. If rights granted under the 2014 ESPP expire, lapse or otherwise terminate without being exercised, the ordinary shares not purchased under such rights will again become available for issuance under the 2014 ESPP.

As of June 24, 2014 there were 74,285,710 shares of Horizon Pharma, Inc. common stock outstanding. As described in more detail in *The Reorganization and the Merger The Reorganization of Vidara* in connection with the reorganization and Merger an additional 31,350,000 New Horizon ordinary shares will be issued, so that if the 2014 ESPP becomes effective there will be not less than 105,635,710 New Horizon ordinary shares outstanding at such time. The 2014 ESPP will not become effective unless it is approved by Horizon stockholders and the Merger is approved by Horizon stockholders and consummated. The closing price of Horizon s common stock as reported on the NASDAQ Global Select Market as of June 24, 2014 was $15.30 per share.

Forecasted Utilization Rates

Horizon manages its long-term stockholder dilution by limiting the number of equity incentive awards granted annually. Horizon carefully monitor its annual burn rate, dilution, and equity expense to ensure that it maximizes stockholders value by granting only the appropriate number of equity incentive awards necessary to attract, reward, and retain employees, directors and consultants. Prior to approving the 2014 ESPP, the Horizon board of directors reviewed certain management forecasts of purchases under the 2014 ESPP. The information in the table below also includes historical information and forecasts with respect to the operation of the 2011 ESPP as the predecessor plan to the 2014 ESPP.

2014 ESPP	Fiscal 2013 Actual	Fiscal 2014 Forecast	Fiscal 2015 Forecast	Fiscal 2016 Forecast
Shares Available for Purchase Beginning Balance	438,625	412,805	9,834,333	9,334,601
Annual Evergreen Increase	200,000	1,053,074		
Total Shares Available for Purchase Beginning Balance	638,625	1,465,879	9,834,333	9,334,601
Allocations Purchases	(225,820)	(631,546)	(499,732)	(279,915)
Stockholder Approval , 2014		9,000,000		
Shares Available for Purchase Ending Balance	412,805	9,834,333	9,334,601	9,054,686

Note Regarding Forecasts and Forward-Looking Statements

Horizon does not as a matter of course make public forecasts as to its total shares outstanding and utilization of various equity awards due to the unpredictability of the underlying assumptions and estimates. In particular, the forecasts set forth above in this Proposal 5 include embedded assumptions regarding option exercise which are highly dependent on the public trading price of New Horizon s ordinary shares and other factors, which Horizon does not control and, as a result, Horizon does not as a matter of practice provide forecasts. In evaluating these forecasts, the Horizon board of directors recognized the high variability inherent in these assumptions.

However, Horizon has included above a summary of these forecasts to give Horizon stockholders access to certain information that was considered by the Horizon board of directors for purposes of evaluating the 2014 ESPP. These

forecasts reflect various assumptions regarding Horizon s future operations.

The inclusion of the forecasts set forth above should not be regarded as an indication that these forecasts will be predictive of actual future outcomes, and the forecasts should not be relied upon as such. Neither Horizon nor any other person makes any representation to any of Horizon s stockholders regarding actual outcomes compared to the information contained in the forecasts set forth above. Although presented with numerical

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specificity, the forecasts are not fact and reflect numerous assumptions and estimates as to future events made by Horizon s management that Horizon s management believed were reasonable at the time the forecasts were prepared and other factors such as industry performance and general business, economic, regulatory, market and financial conditions, as well as factors specific to Horizon s business, all of which are difficult to predict and many of which are beyond the control of Horizon s management. In addition, the utilization forecasts with respect to Horizon s equity awards do not take into account any circumstances or events occurring after the date that they were prepared and, accordingly, do not give effect to any changes to Horizon s operations or strategy that may be implemented in the future. Accordingly, actual outcomes may be, and likely will be, materially different than those reflected in the forecasts. Horizon does not intend to update or otherwise revise the forecasts to reflect circumstances existing after the date when made or to reflect the occurrence of future events even if any or all of the assumptions underlying the forecasts are shown to be in error. The forecasts are forward-looking statements within the meaning of Section 27A of the 1933 Act and Section 21A of the 1934 Act. These statements involve risks and uncertainties that could cause actual outcomes to differ materially from those in the forward-looking statements, including Horizon s ability to attract and retain talent, achievement of performance metrics, if any, with respect to certain equity awards, the extent of option exercise activity, and other factors described in this proxy statement/prospectus.

Description of the 2014 ESPP

The material features of the 2014 ESPP are outlined below. The following summary describes the material features of the 2014 ESPP as it would be in effect upon consummation of the Merger, assumption of the 2014 ESPP by New Horizon, and conversion of the shares of Horizon common stock available for grant under the 2014 ESPP into New Horizon ordinary shares. This summary is qualified in its entirety by reference to the complete text of the 2014 ESPP. Stockholders are urged to read the actual text of the 2014 ESPP, which is appended to this proxy statement/prospectus as Annex G and may be accessed from the SEC s website at www.sec.gov.

Purpose

The purpose of the 2014 ESPP is to provide a means by which New Horizon employees (and any subsidiary of New Horizon designated by the New Horizon board of directors to participate in the 2014 ESPP) may be given an opportunity to purchase ordinary shares through payroll deductions, to assist New Horizon in retaining the services of New Horizon employees, to secure and retain the services of new employees, and to provide incentives for such persons to exert maximum efforts for the success of New Horizon and its subsidiaries.

The rights to purchase ordinary shares granted under the 2014 ESPP are intended to qualify as options issued under an employee stock purchase plan as that term is defined in Section 423(b) of the Code.

Administration

The New Horizon board of directors will administer the 2014 ESPP and has the final power to construe and interpret both the 2014 ESPP and the rights granted under it. The New Horizon board of directors has the power, subject to the provisions of the 2014 ESPP, to determine when and how rights to purchase ordinary shares will be granted, the provisions of each offering of such rights (which need not be identical), and whether employees of any subsidiary of New Horizon will be eligible to participate in the 2014 ESPP.

The New Horizon board of directors has the power to delegate administration of the 2014 ESPP to a committee composed of not fewer than one member of the board of directors.

Offerings

The 2014 ESPP is implemented by offerings of rights to all eligible employees from time to time. The maximum length for an offering under the 2014 ESPP is twenty-seven (27) months. The provisions of separate

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offerings need not be identical. When an eligible employee elects to join an offering period, he or she is granted a purchase right to acquire ordinary shares on each purchase date within the offering period. On the purchase date, all payroll deductions collected from the participant are automatically applied to the purchase of ordinary shares, subject to certain limitations.

Eligibility

Generally, each regular employee (including officers) employed by New Horizon (or a parent or subsidiary company if the New Horizon board of directors designates such company as eligible to participate) may participate in offerings under the 2014 ESPP, provided that the employee has been continuously employed by New Horizon (or a parent or subsidiary company, if applicable) for such period as the New Horizon board of directors may require, but in no event may the required period of continuous employment be greater than two years. In addition, the New Horizon board of directors may provide that employees who are customarily employed for less than 20 hours per week or less than five months per calendar year are not eligible to participate in the 2014 ESPP. The New Horizon board of directors also may provide in any offering that certain employees who are highly compensated as defined in the Code are not eligible to participate in the 2014 ESPP.

In any event, no employee may participate in the 2014 ESPP if, immediately after New Horizon grants the employee a purchase right, the employee would own, directly or indirectly, ordinary shares possessing 5% or more of the total combined voting power or value of all classes of New Horizon share capital or of any parent or subsidiary companies of New Horizon (including any shares which the employee may purchase under all outstanding purchase rights and options).

All of the approximately 408 employees (including officers) of Horizon and approximately 24 employees (including officers) of Vidara and its subsidiaries as of the record date will be eligible to participate in the 2014 ESPP.

Participation in the 2014 ESPP

Eligible employees enroll in the 2014 ESPP by delivering to New Horizon, prior to the date selected by the New Horizon board of directors as the offering date for the offering, an agreement authorizing payroll deductions.

Purchase Price

The purchase price per share at which ordinary shares are sold in an offering under the 2014 ESPP may not be less than the lower of (i) 85% of the fair market value of an ordinary share on the first day of the offering period or (ii) 85% of the fair market value of an ordinary share on the purchase date (i.e., the last day of the applicable six (6) month purchase period), provided, however, that in all cases the purchase price of any ordinary share must not be less than the nominal value of such ordinary share on the applicable purchase date. If the scheduled purchase date is not a trading day, the purchase will occur on the immediately preceding trading day.

Payment of Purchase Price; Payroll Deductions

The purchase price of the shares is accumulated by payroll deductions over the offering. To the extent permitted in the offering document, a participant may increase, reduce or terminate his or her payroll deductions. All payroll deductions made on behalf of a participant are credited to his or her account under the 2014 ESPP and deposited with New Horizon s general funds. To the extent permitted in the offering document, a participant may make additional payments into such account.

Purchase of Stock

In connection with offerings made under the 2014 ESPP, the New Horizon board of directors may specify a maximum number of ordinary shares an employee may be granted the right to purchase and the maximum

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aggregate number of ordinary shares that may be purchased pursuant to such offering by all participants. If the aggregate number of shares to be purchased upon exercise of all outstanding purchase rights would exceed the number of ordinary shares remaining available under the 2014 ESPP, or the maximum number of shares that may be purchased on a single purchase date across all offerings, the New Horizon board of directors would make a pro rata allocation (based on each participant s accumulated payroll deductions) of available shares. Unless the employee s participation is discontinued, his or her right to purchase shares is exercised automatically at the end of the purchase period at the applicable price. See *Withdrawal* below.

Withdrawal

While each participant in the 2014 ESPP is required to sign an agreement authorizing payroll deductions, the participant may withdraw from a given offering by terminating his or her payroll deductions and by delivering to Horizon a notice of withdrawal from the 2014 ESPP. Such withdrawal may be elected at any time prior to the end of the applicable offering, except as otherwise provided in the offering.

Upon any withdrawal from an offering by the employee, New Horizon will generally distribute to the employee his or her accumulated payroll deductions without interest, less any accumulated deductions previously applied to the purchase of ordinary shares on the employee s behalf during such offering, and such employee s rights in the offering will be automatically terminated. The employee is not entitled to again participate in that offering. However, an employee s withdrawal from an offering will not prevent such employee from participating in subsequent offerings under the 2014 ESPP.

Reset Feature

The New Horizon board of directors has the authority to provide that if the fair market value of an ordinary share on the first day of any purchase period within a particular offering period is less than or equal to the fair market value on the start date of that offering period, then the participants in that offering period will automatically be transferred and enrolled in a new offering period which will begin on the first day of that purchase period and the participants purchase rights in the original offering period will terminate.

Termination of Employment

Unless otherwise specified by the New Horizon board of directors, a participant s rights under any offering under the 2014 ESPP will terminate immediately upon cessation of his or her employment for any reason (subject to any post-employment participation period required by law), and New Horizon will distribute to such individual all of his or her accumulated payroll deductions, without interest.

Restrictions on Transfer

Rights granted under the 2014 ESPP are not transferable except by will, the laws of descent and distribution, or by a beneficiary designation. During the lifetime of the participant, such rights may only be exercised by the participant.

Adjustment Provisions

Upon certain transactions by New Horizon, such as a merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar transaction, the 2014 ESPP share reserve, the outstanding purchase rights thereunder, and any purchase limits will be appropriately adjusted as to the type, class and

maximum number of shares subject thereto.

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Effect of Certain Corporate Transactions

In the event of a corporate transaction, (a) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation s parent company) may assume or continue outstanding purchase rights under the 2014 ESPP or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the corporate transaction) for those outstanding purchase rights, or (b) if any surviving or acquiring corporation (or its parent company) does not assume or continue outstanding purchase rights or does not substitute similar rights for outstanding purchase rights under the 2014 ESPP, then the participants accumulated contributions will be used to purchase shares of Horizon s common stock within ten business days prior to the corporate transaction under the outstanding purchase rights, and the participants outstanding purchase rights will terminate immediately after such purchase.

For purposes of the 2014 ESPP, a corporate transaction generally means the occurrence, in a single transaction or in a series of related transactions, of the consummation of: (a) a sale of all or substantially all of the assets of New Horizon and its subsidiaries; (b) a sale of at least 90% of New Horizon s outstanding securities; (c) a merger, consolidation, or similar transaction in which New Horizon is not the surviving corporation; or (d) a merger, consolidation, or similar transaction in which New Horizon is the surviving corporation but the ordinary shares of New Horizon are converted into other securities, cash, or other property by virtue of the transaction. For the avoidance of doubt, any one or more of the above events may be effected pursuant to a compromise or arrangement sanctioned by the Irish courts or a scheme, contract or offer which has become binding on all shareholders under applicable Irish laws, or by means of a takeover bid pursuant to the laws of the European Union, as implemented into Irish law.

Duration, Amendment and Termination

Because each eligible employee will make his or her own decision whether and to what extent to participate in the 2014 ESPP, it is not possible to determine with specificity the period for which the 2014 ESPP share reserve will be sufficient to cover future purchases of shares.

The New Horizon board of directors may amend, suspend or terminate the 2014 ESPP at any time. However, except in regard to capitalization adjustments, any amendment to the 2014 ESPP must be approved by the stockholders if the amendment would:

materially increase the number of ordinary shares available for issuance under the 2014 ESPP;

materially expand the class of individuals eligible to participate under the 2014 ESPP;

materially increase the benefits accruing to participants under the 2014 ESPP or materially reduce the price at which ordinary shares may be purchased under the 2014 ESPP;

materially extend the term of the 2014 ESPP; or

expand the types of awards available for issuance under the 2014 ESPP;

but in each case, only to the extent stockholder approval is required by applicable law or listing requirements.

Rights granted before amendment, suspension or termination of the 2014 ESPP will not be impaired by any amendment, suspension or termination of the 2014 ESPP without consent of the employee to whom such rights were granted, except with the consent of the participant, as necessary to comply with applicable laws, or as necessary to obtain or maintain favorable tax, listing or regulatory treatment.

U.S. Federal Income Tax Information

The information set forth below is a summary only and does not purport to be complete. The information is based upon current federal income tax rules and therefore is subject to change when those rules change. Rights

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granted under the 2014 ESPP are intended to qualify for favorable federal income tax treatment associated with rights granted under an employee stock purchase plan which qualifies under provisions of Section 423 of the Code.

A participant will be taxed on amounts withheld for the purchase of ordinary shares as if such amounts were actually received. Otherwise, no income will be taxable to a participant as a result of the granting or exercise of a purchase right, until disposition of the acquired shares. The taxation upon disposition will depend upon the holding period of the acquired shares.

If the stock is disposed of more than two years after the beginning of the offering period and more than one year after the stock is transferred to the participant, then the lesser of:

(1) the excess of the fair market value of the stock at the time of such disposition over the purchase price, or

(2) the excess of the fair market value of the stock as of the beginning of the offering period over the purchase price (determined as of the beginning of the offering period) will be treated as ordinary income.

Any further gain or any loss will be taxed as a long-term capital gain or loss. At present, such capital gains generally are subject to lower tax rates than ordinary income.

If the stock is sold or disposed of before the expiration of either of the holding periods described above, then the excess of the fair market value of the stock on the purchase date over the purchase price will be treated as ordinary income at the time of such disposition. The balance of any gain will be treated as capital gain. Even if the stock is later disposed of for less than its fair market value on the purchase date, the same amount of ordinary income is attributed to the participant, and a capital loss is recognized equal to the difference between the sales price and the fair market value of the stock on such purchase date. Any capital gain or loss will be short-term or long-term, depending on how long the stock has been held.

There are no federal income tax consequences to New Horizon by reason of the grant or exercise of rights under the 2014 ESPP. New Horizon is entitled to a deduction for United States tax purposes to the extent amounts are taxed as ordinary income to a participant (subject to the requirement of reasonableness and the satisfaction of tax reporting obligations).

New Plan Benefits

Participation in the 2014 ESPP is voluntary and each eligible employee will make his or her own decision whether and to what extent to participate in the plan. It is therefore not possible to determine the benefits or amounts that will be received in the future by individual employees or groups of employees under the 2014 ESPP.

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Plan Benefits

The 2014 ESPP is the intended successor to the 2011 ESPP. The table below shows, as to the listed individuals and specified groups, the number of shares previously purchased under the 2011 ESPP since its approval by the stockholders in 2011 and through June 24, 2014. Non-employees are not eligible to participate in the 2011 ESPP or the 2014 ESPP.

Name	Number of Shares
Named executive officers	
Timothy P. Walbert	27,090
Chairman and Chief Executive Officer	
Robert J. De Vaere	23,467
Executive Vice President and Chief Financial Officer	
Jeffrey W. Sherman	24,260
Executive Vice President, Development, Manufacturing, and Regulatory Affairs and Chief Medical Officer	
Todd Smith	21,631
Executive Vice President and Chief Commercial Officer	
All current executive officers as a group	96,448
All employees, including all current officers who are not executive officers, as a group	614,657

Required Vote and Board Recommendation

Approval of this Proposal 5 requires the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote at the special meeting. Abstentions will be counted toward the tabulation of votes cast on the proposal and will have the same effect as Against votes. Broker non-votes are counted towards a quorum but will have no effect on the outcome of the vote.

The vote on this Proposal 5 to approve the 2014 ESPP is a vote separate and apart from the vote on Proposal 1 to adopt the Merger Agreement and approve the Merger and is a vote separate and apart from the votes on each of the other proposals. Accordingly, you may vote to approve this Proposal 5 and vote against any of the other proposals, or you may vote against this Proposal 5 and vote to adopt the Merger Agreement and approve the Merger and to approve any of the other proposals. Whether or not this Proposal 5 is approved will have no impact on the completion of the Merger. However, if Proposal 1 to adopt the Merger Agreement and approve the Merger is not approved, or if the Merger is otherwise not completed, then the 2014 ESPP will not become effective.

The Horizon board of directors believes that approval of Proposal 5 is in Horizon s best interests and the best interests of Horizon s stockholders for the reasons stated above.

The Horizon board of directors unanimously recommends that Horizon stockholders vote FOR this Proposal 5 to approve the 2014 Employee Stock Purchase Plan.

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PROPOSAL 6

POSSIBLE ADJOURNMENT OF THE HORIZON SPECIAL MEETING

If Horizon fails to receive a sufficient number of votes to approve the proposal to adopt the Merger Agreement and approve the Merger, Horizon may propose to adjourn the Special Meeting, if a quorum is present, for a period of not more than 30 days for the purpose of soliciting additional proxies to approve the proposal to adopt the Merger Agreement and approve the Merger.

The affirmative vote of the holders of at least a majority of the shares of Horizon common stock represented and voting either in person or by proxy at the Special Meeting and entitled to vote is required for approval of the proposal to adjourn the Special Meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the Merger Agreement and approve the Merger.

The Horizon board of directors recommends that the Horizon stockholders vote FOR the proposal to adjourn the Special Meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the Merger Agreement and approve the Merger.

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SELECTED HISTORICAL FINANCIAL DATA OF HORIZON

The information required by this item is incorporated by reference to the Horizon Annual Report on Form 10-K for the fiscal year ended December 31, 2013, filed with the SEC on March 13, 2014, and the Horizon Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2014, filed with the SEC on May 9, 2014.

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SELECTED HISTORICAL FINANCIAL DATA OF VIDARA

AND

THE ACTIMMUNE BUSINESS OF INTERMUNE

The following table sets forth selected historical financial data for the Vidara Group and the ACTIMMUNE business of InterMune, as defined below, as of the dates and for each of the periods indicated. The income statement data for the years ended December 31, 2013 and 2012 and balance sheet data as of December 31, 2013 and 2012 are derived from the Vidara Group s audited combined financial statements which are included elsewhere in this proxy statement/prospectus. The income statement data for the three months ended March 31, 2014 and 2013 and the balance sheet data as of March 31, 2014 have been derived from the Vidara Group s unaudited combined financial statements which are included elsewhere in this proxy statement/prospectus. The audited and unaudited combined financial statements of the Vidara Group have been prepared in conformity with US GAAP. In the opinion of management of Vidara, such unaudited combined financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of its financial position and results of operations for such periods. The combined historical results of the Vidara Group are not necessarily indicative of the results to be expected in any future period. You should read the selected combined financial data of the Vidara Group below together with Management s Discussion and Analysis of Financial Condition and Results of Operations of Vidara and with the Vidara Group s combined financial statements and notes thereto which are included elsewhere in this proxy statement/prospectus.

On June 19, 2012, Vidara acquired the intellectual property rights and certain assets related to the ACTIMMUNE product line (the ACTIMMUNE business) from InterMune, Inc. (InterMune). Prior to its acquisition of the ACTIMMUNE business, Vidara had limited operations. The income statement data for the period from January 1, 2012 to June 18, 2012 and the year ended December 31, 2011 are derived from the audited statements of revenue and direct expenses for the ACTIMMUNE business of InterMune which are included elsewhere in this proxy statement/prospectus. The income statement data for the years ended December 31, 2010 and 2009 have been derived from financial information provided by InterMune. You should read the selected financial data of the ACTIMMUNE business of InterMune below together with the audited statements of revenue and direct expenses for the ACTIMMUNE business of InterMune and notes thereto which are included elsewhere in this proxy statement/prospectus.

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	Vidara (Successor)				ACTIMMUNE Business of InterMune (Predecessor)			
	Three Months Ended March 31,		Year Ended December 31,		Period From January 1, 2012 to June 18,	Year Ended December 31,		
	2014	2013	2013	2012[1]	2012	2011	2010	2009
	(in thousands)				(in thousands)			
Income Statement Data:								
Product sales, net	$ 17,352	$ 12,409	$ 58,850	$ 30,239	$ 7,042	$ 20,167	$ 20,040	25,428
Cost of product sales	858	1,497	6,272	3,594	4,279	7,297	6,337	6,997
Gross profit	$ 16,494	$ 10,912	$ 52,578	$ 26,645	$ 2,763	$ 12,870	$ 13,703	$ 18,431
Operating expense:								
Selling expense	1,796	1,525	6,651	2,338	n/a	n/a	n/a	n/a
General and administrative expense	3,126	1,331	9,646	2,691	n/a	n/a	n/a	n/a
Depreciation and amortization	1,372	1,029	4,409	2,141	n/a	n/a	n/a	n/a
Royalty expense[2]	3,037	2,610	7,370	3,075				
Total operating expense	$ 9,331	$ 6,495	$ 28,076	$ 10,245	$ 278	$ 730	$ 481	$ 422
Operating profit	$ 7,163	$ 4,417	$ 24,502	$ 16,400	$ 2,485	$ 12,140	$ 13,222	$ 18,009
Interest expense	267	682	1,954	1,622				
Other (income) expense	42	303	(2,655)	(37)				
Total other (income) expense	$ 309	$ 985	$ (701)	$ 1,585				
Income before taxes	$ 6,854	$ 3,432	$ 25,203	$ 14,815				
Income tax expense (benefit)	354	(760)	(3,032)	(1,963)				
Net income	$ 6,500	$ 4,192	$ 28,235	$ 16,778				

(1) Includes only the results relating to the ACTIMMUNE products for the period following the acquisition of the ACTIMMUNE business by Vidara on June 19, 2012.

(2) Royalty expense is classified as cost of product sales in the historical financial statements of ACTIMMUNE.

	Vidara		
	As of March 31, 2014	As of December 31, 2013	2012
		(in thousands)	
Balance Sheet Data:			
Cash and cash equivalents	$ 32,195	$ 30,276	$ 23,520
Property, plant and equipment	$ 374	$ 404	$ 74
Intangible assets	$ 46,806	$ 48,125	$ 52,418
Total assets	$ 99,075	$ 95,004	$ 91,930
Current liabilities	$ 14,734	$ 16,150	$ 25,510
Long-term liabilities	$ 22,595	$ 23,736	$ 39,641
Total shareholders equity	$ 61,746	$ 55,118	$ 26,778

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF VIDARA

The following discussion and analysis of Vidara s financial condition and results of operations should be read in conjunction with the combined financial statements of the Vidara Group and related notes included elsewhere in this proxy statement/prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Vidara s actual results could differ materially from these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section entitled Risk Factors included elsewhere in this proxy statement/prospectus.

Overview

Vidara is a biopharmaceutical company focused on the treatment of patients with serious, difficult-to-treat inherited disorders and rare diseases. Currently, Vidara s only commercial product and source of revenue is ACTIMMUNE® (interferon gamma-1b), an injectable biologic drug prescribed for the management of two rare disorders, *chronic granulomatous disease* (CGD) and *severe, malignant osteopetrosis* (SMO). ACTIMMUNE is the only drug currently approved by the U.S. Food and Drug Administration for the treatment for CGD and SMO in the United States.

Vidara was formed on December 20, 2011 as an Irish registered, private limited company resident and managed in Bermuda. Since its formation, Vidara has consummated two significant transactions:

- On February 2, 2012, Vidara acquired AGI Therapeutics plc. (AGI), an Irish public limited company (since renamed AGI Therapeutics Limited). AGI was focused on the development and commercialization of differentiated specialty drug products to treat unmet medical needs, including conditions which qualify for orphan drug status. Since its acquisition of AGI, Vidara has managed its operations from its headquarters in Dublin, Ireland.

- On June 19, 2012, Vidara purchased the ACTIMMUNE business from InterMune for cash consideration of $55.0 million with a further obligation to pay InterMune up to $2.0 million in royalties on Vidara s net sales for each of the two twelve month periods following the closing of the transaction, bringing the total purchase price to a potential $59.0 million, of which $58.0 million had been paid as of March 31, 2014 and the remaining $1.0 million is expected to be paid in full by the closing of the Merger.

Since its acquisition of ACTIMMUNE, Vidara has focused its efforts on developing a commercial infrastructure and organization to sell and distribute ACTIMMUNE in the United States. Vidara estimates, based on its market research, that the indications of CGD and SMO combined represent a total patient population in the United States of approximately 1,800. Due to the rare and serious nature of these diseases, patients are more typically treated by specialist physicians based in larger urban teaching hospitals and research centers. As a result, Vidara has established a specialty sales force that focuses on marketing to a limited number of healthcare practitioners who specialize in fields such as pediatric immunology, allergy, infectious diseases and hematology/oncology to help them understand the potential benefits of ACTIMMUNE for their patients with CGD and SMO. Vidara s sales team is comprised of six clinical science associates, supported by a National Sales Director, a Vice President of Sales & Marketing, a Director of Sales Operations and a Sales Operations Analyst. In addition, two medical sciences liaisons provide additional education and information to healthcare practitioners to further their understanding of ACTIMMUNE.

While the ultimate end-users of ACTIMMUNE are the individual patients to whom it is prescribed by physicians in the United States, Vidara sells ACTIMMUNE directly to a limited number of specialty pharmacies and wholesale pharmaceutical distributors, including Accredo Health Group Inc., CuraScript Specialty Distribution, Walgreens, Caremark LLC and McKesson Corporation. Vidara has standard agreements with these customers, which include discounts from its list price and various other rebate arrangements.

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Vidara does not have its own manufacturing capability for ACTIMMUNE, or the capability to package its products. As a result, Vidara has engaged third parties to manufacture, package and distribute ACTIMMUNE. Vidara has an exclusive supply agreement with Boehringer Ingelheim RCV GmbH & Co KG (Boehringer Ingelheim) to manufacture the ACTIMMUNE active drug substance and commercial quantities of the ACTIMMUNE finished drug product. Boehringer Ingelheim also provides Vidara with quality assurance testing for ACTIMMUNE. Cardinal Health 105 Inc. (Cardinal Health) is Vidara s exclusive third party logistics provider in the United States, and provides warehousing, storage, processing of orders from Vidara s customers and shipping of ACTIMMUNE to its customers in the United States. Under the terms of its agreement with Cardinal Health, Vidara pays Cardinal Health fixed monthly service fees along with variable fees that are tied to the amount of product processed by Cardinal Health on behalf of Vidara.

Vidara has material obligations to pay royalties to certain third parties on net sales of ACTIMMUNE. For a description of these royalty arrangements, see *Liquidity and Capital Resources Contractual Obligations Royalty obligations.*

Vidara s licenses allow it to market and sell ACTIMMUNE in the United States, Canada and Japan. Vidara currently markets and distributes ACTIMMUNE only in the United States. Vidara also supplies ACTIMMUNE to patients in Canada, if so requested by way of a prescription from their treating physicians, through Health Canada s Special Access Program, which provides access to non-marketed drugs in Canada for practitioners treating patients with serious or life-threatening conditions when conventional therapies have failed, are unsuitable or are unavailable. Sales in Canada are not material. Vidara has otherwise not registered or sold ACTIMMUNE in any other territories for which it currently holds commercial rights.

Vidara s total net sales were $58.9 million for the year ended December 31, 2013, which was the first full calendar year for which it recorded sales of ACTIMMUNE. For the year ended December 31, 2012, Vidara recorded net sales of $30.2 million, representing its sales of ACTIMMUNE for the period beginning on June 19, 2012, the date it acquired ACTIMMUNE, and ending on December 31, 2012. These results compare with reported net sales for ACTIMMUNE by InterMune of $7.0 million for the period beginning on January 1, 2012 and ending on June 18, 2012, and $20.2 million for the year ended December 31, 2011. Vidara s net income for the years ended December 31, 2013 and 2012 was $28.2 million and $16.8 million, respectively.

Principal Revenue and Expense Items

Product sales, net consist exclusively of sales of ACTIMMUNE to third party customers, primarily specialty pharmacies and wholesale pharmaceutical distributors, as adjusted for discounts and allowances including charge-backs, government rebates, including Medicaid and Medicare, cash discounts, wholesaler fees, and other adjustments.

Cost of sales includes all costs directly related to the acquisition of ACTIMMUNE from Vidara s sole manufacturer, Boehringer Ingelheim, including freight charges and other direct expenses such as insurance.

Selling expense consists primarily of salaries, bonus, benefits and related costs for personnel in sales and marketing functions, product promotional costs, costs associated with Vidara s COMPASS™ program (as described below under *The Business of Vidara Government Regulation Reimbursement*) and data fees paid to distributors for the provision of product related data.

General and administrative expense consists primarily of salaries, bonus, benefits and related costs for personnel in executive, finance, business development and internal support functions, facility costs and professional fees for legal,

consulting and accounting services. Included in general and administrative expense are expenses associated with Vidara s research and development activities. These expenses consist of salaries, bonus, benefits and related costs of personnel in the development, regulatory and medical affairs functions, as well as expenses incurred in developing enhancements to, and improved formulations for, ACTIMMUNE. All research and development costs are expensed as incurred.

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Depreciation and amortization expense consists primarily of amortization of intellectual property rights related to Vidara s acquisition of the rights to ACTIMMUNE. Vidara amortizes these property rights over fifteen years, which is the estimated useful life of the underlying patents and know-how. Also included in this category is the amortization of capitalized financing costs, which are amortized over the life of the associated loan or note.

Royalty expense consists of payments made to third parties for access to patents, know-how and other intellectual property rights. For a discussion of Vidara s royalty arrangement see *Liquidity and Capital Resources Contractual Obligations Royalty obligations.*

Interest expense consists of charges related to outstanding indebtedness which consists of a senior term loan, senior subordinated notes and an unsecured subordinated intercompany note to Vidara s parent, Vidara Therapeutics Holdings, LLC (Vidara Holdings).

Critical Accounting Policies and Significant Estimates

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Vidara believes that its critical accounting policies, which are those that require management s most difficult, subjective and complex judgments, are those described in this section. Estimates are used for, but not limited to, the accounting for the allowance for doubtful accounts, asset lives used to calculate depreciation and amortization, intangibles and other long-lived asset lives, assumptions and inputs for fair value measurements, reserves for sales discounts and allowances for returns, rebates and chargebacks and in accounting for income taxes. Actual results could differ from these estimates.

Because of the uncertainties inherent in such estimates, actual results may differ materially from these estimates. These critical accounting policies, the judgments and other uncertainties affecting application of these policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered in reviewing the combined financial statements.

Revenue Recognition:

Revenue is recognized when products are delivered and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable. Revenue is reported net of estimated sales adjustments for discounts, government rebates, returns, and other adjustments, including estimated amounts for volume rebate programs, contractual price reductions (chargebacks) with wholesalers and managed care providers. Provision for these estimated sales adjustments are recorded at the time of sale and are periodically adjusted to reflect actual experience. Vidara is required to make significant judgments and estimates when determining some of these allowances. If actual results differ from these estimates, Vidara will be required to make adjustments to these allowances in the future.

Prompt Payment Discounts:

As an incentive for prompt payment, Vidara offers a cash discount of approximately 2% to customers. Vidara expects that all customers will comply with the contractual terms to earn the discount. Vidara records the discount as an allowance against accounts receivable and a reduction of revenue.

Government Rebates:

Vidara participates in certain federal government rebate programs, such as Medicare and Medicaid. Vidara accrues estimated rebates based on percentages of product sold to qualified patients, estimated rebate percentages and estimated levels of inventory in the distribution channel that will be sold to qualified patients and records the rebate as a reduction of revenue.

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Government Chargebacks:

Vidara provides discounts to federal government qualified entities with whom Vidara has contracted. These federal entities purchase product from the wholesale pharmaceutical distributors at a discounted price, and the wholesale pharmaceutical distributors then charge back to Vidara the difference between the current retail price and the contracted price that the federal entities paid for the product. Vidara accrues estimated chargebacks based on contract prices and sell-through sales data obtained from third party information and records the chargeback as a reduction of revenue.

	Prompt Payment Discounts	Government Rebates	Government Chargebacks	Total
		(in thousands)		
Balance at December 31, 2012	**$ 148**	**$ 7,179**	**$ 281**	**$ 7,608**
Current provisions relating to sales	1,745	22,269	6,051	30,065
Payments/returns relating to sales	(1,731)	(23,049)	(6,164)	(30,944)
Balance at December 31, 2013	**$ 162**	**$ 6,399**	**$ 168**	**$ 6,729**

Distribution Service Fees:

Vidara includes distribution service fees paid to its wholesalers for distribution and inventory management services as a reduction to revenue. The estimates are based on contractually determined fees.

Returns:

Vidara will accept, excluding certain items, products returned from an authorized wholesaler or distributor for a period up to three months after the expiration date printed on the package or product label. A provision for these estimated returns is recorded at the time of sale based on historical returns of the product.

Foreign Currency:

The financial position and results of operations of Vidara s foreign subsidiaries are measured using the U.S. dollar as the functional currency. All of Vidara s product sales are denominated in U.S. dollars. Foreign currency transaction gains and losses may arise on cash balances denominated in Euros or on Euro denominated expenses such as salaries of Ireland-based personnel. To date, such gains or losses have been immaterial.

Fair Value of Financial Instruments:

In specific circumstances, certain assets and liabilities are reported or disclosed at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in Vidara s principal market for such transactions. If Vidara has not established a principal market for such transactions, fair value is determined based on the most advantageous market.

Valuation inputs used to determine fair value are arranged in a hierarchy that categorizes the inputs into three broad levels, which are as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 inputs are directly or indirectly observable valuation inputs for the asset or liability, excluding Level 1 inputs.

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

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Vidara s financial instruments, including cash, accounts receivable, accounts payable, and accrued expenses, are carried at cost, which approximates their fair value because of the short-term nature of these financial instruments. The carrying value of long-term debt is based on the instruments interest rate, terms, maturity date and collateral, if any, in comparison to Vidara s incremental borrowing rate for similar financial instruments.

Accounts Receivable:

Vidara extends credit on an uncollateralized basis primarily to wholesale distributors and specialty pharmacies throughout the U.S. based on the size of the company, its payment history, and other factors. Vidara determines if receivables are past due based on days outstanding and amounts are written off when determined to be uncollectible by management. Vidara is required to estimate the level of accounts receivable that ultimately will not be paid. Vidara calculates this estimate based on prior experience supplemented by a periodic customer-specific review when needed. Historically, Vidara has not experienced significant credit losses on its accounts.

Inventory:

Inventory is stated at the lower of cost or market. Cost is determined using the first-in, first-out method, and market is considered to be the net realizable value. Inventories consist of finished product only.

Intangible Assets:

Intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses. These costs are capitalized and amortized on a straight-line basis over the estimated useful life of the asset.

Vidara periodically evaluates the propriety of the carrying amount of its definite-lived intangible assets as well as the related amortization period to determine whether current events and circumstances warrant adjustments to the carrying value and/or estimate of useful life. This evaluation is performed using the estimated projected future undiscounted cash flows associated with the asset compared to the asset s carrying amount to determine if a write-down is required. To the extent such projections indicate that the undiscounted cash flows are not expected to be adequate to recover the carrying amount, the asset is written down to fair value as determined by discounting future cash flows.

Income Taxes:

Vidara s domestic and foreign subsidiaries are taxed as such under federal, foreign and similar state and local statutes. Accordingly, those subsidiaries account for income taxes using the asset and liability approach. Deferred tax assets and liabilities are recognized for the future tax consequences of differences between the combined financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates scheduled to be in effect when temporary differences are expected to be recovered or settled. The effect of a change in enacted tax rates on the deferred tax assets and liabilities is recognized in income and expense in the combined period when the new tax rates are enacted. Vidara assesses the realizability of its deferred tax assets annually and records a valuation allowance when it is determined more likely than not that a deferred tax asset will not be realized in full.

Vidara accounts for the uncertainty in income taxes as prescribed by the minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized

upon ultimate settlement.

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Results of Operations

Comparison of Three Months Ended March 31, 2014 vs. Three Months Ended March 31, 2013

	Three Months Ended March 31,		$ Increase / (Decrease)	% Increase / (Decrease)
	2014	2013		
	(in thousands, except for percentages)			
Product sales, net	$ 17,352	$ 12,409	$ 4,943	40%
Cost of sales	858	1,497	(639)	(43)
Gross profit	**$ 16,494**	**$ 10,912**	**$ 5,582**	**51**
Selling expense	1,796	1,525	271	18
General and administrative expense	3,126	1,331	1,795	135
Depreciation and amortization	1,372	1,029	343	33
Royalty expense	3,037	2,610	427	16
Operating profit	**$ 7,163**	**$ 4,417**	**$ 2,746**	**62**
Interest expense-net(1)	267	682	-415	-61
Other (income) expense	42	303	(261)	-86
Income before taxes	**$ 6,854**	**$ 3,432**	**$ 3,422**	**100**
Income tax expense (benefit)	354	(760)	(1,114)	(147)
Net income	**$ 6,500**	**$ 4,192**	**$ 2,308**	**55%**

(1) Interest expense is shown net of interest income, which was not material.

Product sales, net increased approximately $4.9 million, or 40%, from $12.4 million for the three months ended March 31, 2013 to $17.4 million for the three months ended March 31, 2014. This increase was primarily attributable to a 17% growth in product sales volume resulting from our continued sales and marketing efforts, and also due in part to two 7% price increases for ACTIMMUNE that went into effect in May 2013 and January 2014.

Cost of sales declined $0.6 million, or 43%, from $1.5 million for the three months ended March 31, 2013 to $0.9 million for the three months ended March 31, 2014. This decrease was attributable to the fact that the cost of inventory during the three months ended March 31, 2013 included inventory acquired at fair value in connection with the acquisition of the ACTIMMUNE business which was valued at a higher price than the inventory purchased through Vidara s supply agreement with Boehringer Ingelheim. The cost of sales improvement from the inventory fair value difference of approximately $1.2 million exceeded the underlying increase in cost of goods sold attributable purely to increased sales volume. Under the terms of the supply agreement with Boehringer Ingelheim, which has a term that runs until July 31, 2020 and which can be further renewed by agreement between the parties, Vidara has a fixed price, subject only to adjustments for inflation, for annual orders up to a minimum purchase quantity of finished drug product of 75,000 vials. The contract price for ACTIMMUNE is denominated in Euros. Therefore, other than exchange rate and inflation rate movements, Vidara does not anticipate a material increase in the price it pays for

product over the term of the agreement.

Gross profit increased from 88% for the three months ended March 31, 2013 to 95% for the three months ended March 31, 2014. This increase was due to a combination of lower royalty rates as a percentage of sales as volumes increased, as well as an increase in the market price for ACTIMMUNE and, as described in more detail immediately above with respect to cost of sales, the valuation, at fair value, of inventory sold during the three months ended March 31, 2013. Because of the supply agreement with its manufacturer, Vidara expects that the margins attained during the three months ended March 31, 2014 are more indicative of margins that can be realized in future periods.

Selling expense increased $0.3 million, or 18%, from $1.5 million for the three months ended March 31, 2013 to $1.8 million for the three months ended March 31, 2014. This increase was primarily due to higher personnel costs, i.e. salaries and benefits, as well and higher commission expenses attributable to the higher sales volume.

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General and administrative expense increased $1.8 million, or 135%, from $1.3 million for the three months ended March 31, 2013 to $3.1 million for the three months ended March 31, 2014. This increase was primarily due to increased headcount and facilities expenses as Vidara was still building the sales and administrative infrastructure to support ACTIMMUNE. Included in the three month period ended March 31, 2014 is approximately $1.2 million of non-recurring cost associated with corporate activities related to the proposed Merger with Horizon. Additionally, research and development expense increased $0.3 million, or 48%, from $0.6 million for the three months ended March 31, 2013 to $0.9 million for the three months ended March 31, 2014. This increase was primarily due to increased development activity related to ACTIMMUNE.

Depreciation and amortization increased $0.3 million, or 33%, from $1.0 million for the three months ended March 31, 2013 to $1.4 million for the three months ended March 31, 2014. This increase was primarily due to accelerated amortization of capitalized financings fees associated with our senior term loan, which was fully repaid during the quarter ended March 31, 2014.

Royalty expense increased $0.4 million, or 16%, from $2.6 million for the three months ended March 31, 2013 to $3.0 million for the three months ended March 31, 2014, which was directly attributable to the increased level of sales.

Interest expense decreased $0.4 million, or 61%, from $0.7 million for the three months ended March 31, 2013 to $0.3 million for the three months ended March 31, 2014. The decrease was primarily due to the reduced interest payable on Vidara s senior term loan following the partial repayment of principal in August 2013 and the full repayment of the term loan in March 2014.

Income tax (benefit) expense for the three months ended March 31, 2014 and 2013 was approximately $0.4 million and $(0.8) million, respectively. The benefit in the first quarter of 2013 arose from the recording of a deferred tax asset associated with accumulated losses in certain subsidiaries of the AGI group of companies. This deferred asset was first recorded in 2012 and revalued upwards in 2013, when, in Vidara s estimation, there was greater certainty that the full benefits of the net operating losses could be realized against future profits in those subsidiaries.

Comparison of Year Ended December 31, 2013 vs. Year Ended December 31, 2012

	Year Ended December 31,		$ Increase / (Decrease)	% Increase / (Decrease)
	2013	2012		
	(in thousands, except for percentages)			
Product sales, net	$ 58,850	$ 30,239	$ 28,611	95%
Cost of sales	6,272	3,594	2,678	75
Gross profit	**$ 52,578**	**$ 26,645**	**$ 25,933**	**97**
Selling expense	6,651	2,338	4,313	184
General and administrative expense	9,646	2,691	6,955	258
Depreciation and amortization	4,409	2,141	2,268	106
Royalty expense	7,370	3,075	4,295	140
Operating profit	**$ 24,502**	**$ 16,400**	**$ 8,102**	**49**
Interest expense	1,954	1,622	332	20

Other expense (income)	(2,655)	(37)	(2,618)	n/m
Income before tax	**$ 25,203**	**$ 14,815**	**$ 10,388**	**70**
Income tax (benefit) expense	(3,032)	(1,963)	(1,069)	54
Net income	**$ 28,235**	**$ 16,778**	**$ 11,457**	**68%**

Product sales, net increased $28.6 million, or 95%, from $30.3 million for calendar year 2012 to $58.9 million for calendar year 2013. This increase was largely attributable to the fact that Vidara acquired ACTIMMUNE from InterMune on June 19, 2012 and therefore, the financial results for Vidara for 2012 only

reflect sales associated with ACTIMMUNE for the period from June 19, 2012 to December 31, 2012. Vidara increased the market price of ACTIMMUNE shortly after it was acquired in order to price it in line with other supported orphan drug products. In mid-2013, there was a further increase in the market price of ACTIMMUNE by an additional 7%.

Cost of sales increased $2.7 million, or 75%, from $3.6 million for calendar year 2012 to $6.3 million for calendar year 2013. This increase was largely attributable to the fact that Vidara acquired ACTIMMUNE in June 2012, and therefore 2012 only includes cost of sales for a period of six months and twelve days compared to the full year in 2013. In addition, included in cost of sales for the year ended December 31, 2013 and the year ended December 31, 2012 was the incremental cost of inventory acquired at fair value in connection with Vidara s acquisition of the ACTIMMUNE business, which was $4.7 million and $2.8 million, respectively. Under the terms of the supply agreement with Boehringer Ingelheim, which has a term that runs until July 31, 2020 and which can be further renewed by agreement between the parties, Vidara has a fixed price, subject only to adjustments for inflation, for annual orders up to a minimum purchase quantity of finished drug product of 75,000 vials. The contract price for ACTIMMUNE is denominated in Euros. Therefore, other than exchange rate and inflation rate movements, Vidara does not anticipate a material increase in the price it pays for product over the term of the agreement.

Gross profit increased slightly from 88% for the year 2012 to 89% for the year 2013 due to a combination of the higher selling price of ACTIMMUNE partially offset by the fair value difference described above.

Selling expense increased $4.3 million, or 184%, from $2.3 million for the year 2012 to $6.6 million for the year 2013. This increase was largely attributable to the fact that Vidara acquired ACTIMMUNE in June 2012 and therefore 2012 only includes revenues and cost of sales for a period of six months and twelve days compared to the full year in 2013. Following its acquisition of ACTIMMUNE, Vidara started to put in place a team of clinical science associates and other support programs, such as COMPASS, to support and promote ACTIMMUNE.

Depreciation and amortization increased $2.3 million, or 106%, from $2.1 million for the year 2012 to $4.4 million for the year 2013. This increase was largely attributable to the acquisition of ACTIMMUNE by Vidara in June 2012 and therefore 2012 only includes depreciation and amortization for a period of six months and twelve days compared to the full year in 2013.

General and administrative expense increased $7.0 million, or 258%, from $2.7 million for the year 2012 to $9.6 million for the year 2013. This increase was largely attributable to the fact that Vidara acquired ACTIMMUNE in June 2012 and therefore 2012 only includes general and administrative expense for a period of six months and twelve days compared to the full year in 2013, along with the higher headcount and facilities expenses incurred as Vidara built its organization to support ACTIMMUNE. Additionally, research and development expense increased $3.6 million, or 383%, from $0.7 million for the year 2012 to $4.3 million for the year 2013. This increase was largely attributable to the fact that Vidara increased its expenditures on a number of programs designed to enhance the ACTIMMUNE product. In particular, during 2013 Vidara undertook a Phase I clinical study on dose titration of ACTIMMUNE.

Royalty expense increased $4.3 million, or 140%, from $3.1 million for the year 2012 to $7.4 million for the year 2013. This increase was largely attributable to the fact that Vidara acquired ACTIMMUNE in June 2012 therefore 2012 only includes royalty expense for a period of six months and twelve days compared to the full year in 2013, along with an increased level of product sales.

Interest expense increased approximately $0.3 million, or 20%, from $1.6 million for the year 2012 to $1.9 million for the year 2013. The higher expense in 2013 related to the fact that both Vidara s senior term loan and subordinated

notes were only outstanding for six months and twelve days in 2012 compared to a full year in 2013, partially offset by the repayment of principal in August 2013. As of December 31, 2013 and 2012, $1.8 million and $23.4 million were outstanding on Vidara s term loan.

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Other (income) expense for the year 2013 consisted of income arising from a fair value adjustment to a liability Vidara established at the time of acquisition of the ACTIMMUNE business (a time when volume sales of ACTIMMUNE were in decline and that trend was expected to continue) to account for a minimum purchase obligation on its supply contract with its manufacturer. During 2013, Vidara s business and marketing initiatives, including the successful efforts of Vidara clinical science associates in identifying new CGD and SMO patients, the establishment of the COMPASS program and other supports provided to patients, led to both a growth in the number of patients being prescribed ACTIMMUNE and improved compliance amongst those patients on therapy. Based upon the response of patients and physicians to these initiatives, management reevaluated the future volume requirements for ACTIMMUNE during the later part of 2013 and, accordingly, recognized a change in the fair value of the minimum purchase obligation.

Other income in 2012 of $0.4 million related to a gain arising on the acquisition of AGI in February 2012, offset by one-time transaction expenses.

Income tax (benefit) expense. During 2013 and 2012, Vidara recorded an income tax benefit of $3.0 million and $1.9 million, respectively. These benefits arose from the initial recognition of a deferred tax asset and subsequent reductions of valuation allowances applied to those assets that were associated with accumulated losses in certain subsidiaries of the AGI group of companies. The deferred asset was first recorded in 2012 and the related valuation allowance was adjusted throughout 2012 and 2013 as profits were realized within those entities or entities that could take advantage of the net operating losses and as, in Vidara s estimation, there was greater certainty that the full benefits of the losses could be realized against future profits within those entities.

Liquidity and Capital Resources

Vidara s cash and cash equivalents were approximately $32.2 million at March 31, 2014. In Vidara s opinion, existing cash balances and expected funds from operations will be sufficient to fund Vidara s operations and to meet existing obligations for the foreseeable future. The adequacy of cash resources depends on many assumptions, including primarily assumptions with respect to product sales and operating expenses.

As of March 31, 2014, Vidara had outstanding debt of approximately $22.4 million, consisting of subordinated notes and an unsecured subordinated promissory note (which, in each case, are described in more detail below). No amount was outstanding under Vidara s senior term loan, which was fully repaid in March 2014.

As of March 31, 2014, Vidara owed $1.0 million to InterMune for royalties due on ACTIMMUNE sales in the first two years post acquisition. In total the maximum royalties that could be paid under the terms of the agreement with InterMune were $4.0 million. Pursuant to an oral agreement, Vidara and InterMune agreed to pay this amount by way of equal installments of $500,000 over eight consecutive quarters. At March 31, 2014, two payments of $500,000 remained outstanding and are expected to be paid prior to the closing of the Merger.

Summary of Cash Flows for the Years Ended December 31, 2013 and 2012, and Three Months Ended March 31, 2014 and 2013

The following table summarizes cash flows for the three months ended March 31, 2014 and 2013 and the years ended December 31, 2013 and 2012:

	Three Months Ended March 31,		Year Ended December 31,	
	2014	**2013**	**2013**	**2012**
	(in thousands)			
Net cash provided by operating activities	$ 3,727	$ 7,708	$ 28,854	$ 23,893
Net cash used in investing activities	(22)	(135)	(447)	(54,489)
Cash flows from (used in) financing activities	(1,786)	(1,563)	(21,651)	54,116
Net increase (decrease) in cash and cash equivalents	**$ 1,919**	**$ 6,010**	**$ 6,756**	**$ 23,520**

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Three Months Ended March 31, 2014 vs. Three Months Ended March 31, 2013

Net cash provided by operating activities. For the three months ended March 31, 2014 and March 31, 2013, net cash provided by operating activities primarily reflected Vidara s net income, adjusted for non-cash items including depreciation, amortization of intangible assets, share based compensation, and movements in working capital. Net cash provided by operating activities decreased by $4.0 million during the three months ended March 31, 2014 compared to the same period in 2013 due primarily to an increase in net working capital investment.

Net cash used in investing activities. For the three months ended March 31, 2014 and March 31, 2013, net cash used in investing activities consisted of the acquisition costs of office equipment and leasehold improvements.

Net cash used in financing activities. Net cash used in financing activities in the three months ended March 31, 2014 and March 31, 2013 was $1.8 million and $1.6 million, respectively, and represented repayments of principal of Vidara s senior term loan. With respect to the three months ended March 31, 2014, this amount represented the repayment of the senior term loan in full.

Year Ended December 31, 2013 vs. Year Ended December 31, 2012

Net cash provided by operating activities. In each of the years 2013 and 2012, net cash provided by operating activities primarily reflected Vidara s net income, adjusted for non-cash items including depreciation, amortization of intangible assets, share based compensation, and movements in working capital. Net cash provided by operating activities increased by $6.7 million during the year 2013 compared to the year 2012 primarily due to increased sales and operating profits, excluding non-cash items, resulting from the full year of sales of ACTIMMUNE compared to the six-month and twelve-day period in 2012.

Net cash used in investing activities. In 2013, net cash used in investing activities was primarily due to the acquisition costs of office equipment and leasehold improvements.

In 2012, the net cash used in investing activities was used primarily for the purchase of the ACTIMMUNE business from InterMune.

On February 2, 2012, Vidara purchased AGI, a specialty pharmaceutical company headquartered in Dublin, Ireland that was focused on the development and commercialization of differentiated specialty drug products to treat unmet medical needs, including conditions which qualify for orphan drug status. The acquisition of AGI provided Vidara with a proven management team and a global platform to expand its operations. Vidara purchased AGI for cash consideration of approximately $7.9 million and the results of AGI s operations have been included in the combined financial statements since that date.

On June 19, 2012, Vidara executed an asset purchase agreement with InterMune, pursuant to which it purchased the ACTIMMUNE business, comprising of product inventory and intellectual property (such as regulatory approvals, patents and trademark). In connection with this transaction, Vidara also assumed InterMune s then-existing supply agreement with Boehringer Ingelheim. Vidara paid cash consideration of $55.0 million to InterMune upon execution of the closing of the transaction.

Cash flows from (used in) financing activities. In 2013, cash was used by financing activities to make payments on the principal of Vidara s term loan.

In 2012, cash from financing activities amounted to $55.8 million and was raised concurrently with the acquisition of ACTIMMUNE in June 2012. These financing activities included entering into a $25.0 million term loan, the issuance of $5.5 million aggregate principal amount of subordinated notes, the issuance of an unsecured

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subordinated promissory note to the parent of Vidara, Vidara Holdings, in the amount of $16.9 million, and a capital contribution by Vidara Holdings to the equity account of Vidara of $10.0 million. The various elements, including relevant terms and conditions of these financing activities are as follows:

Vidara entered into a credit agreement that provided a $25.0 million term loan and a $3.0 million revolving credit facility, which included a $1.0 million letter of credit sub-facility. Advances under the credit agreement accrued interest at a contractual Index Rate or LIBOR plus an applicable margin as set forth in the agreement. During calendar years 2012 and 2013 and the three months ended March 31, 2014, interest on the term loan accrued at a rate of 7.50%. The credit agreement was scheduled to expire on the earlier of June 19, 2017 or upon the occurrence of other events described therein. Payments under the term loan, including applicable interest, were due and payable on the first day of each quarter beginning October 1, 2012. In accordance with the terms of the credit agreement, in August 2013, Vidara made a prepayment of approximately $16.8 million from its excess cash flow. As of December 31, 2013 and 2012, $1.8 million and $23.4 million, respectively, were outstanding on the term loan and no amounts were advanced under the revolving credit facility. Vidara repaid the term loan in full in March 2014. Interest expense related to the term loan was approximately $24,000, $1.0 million and $1.1 million for the three months ended March 31, 2014 and the years ended December 31, 2013 and 2012, respectively. Vidara incurred approximately $1.5 million in related issuance costs that were capitalized and have been fully expensed as of the date of the final repayment of the loan in March 2014. Amortization expense related to the term loan issuance costs totaled approximately $0.5 million, $0.7 million and $0.3 million for the three months ended March 31, 2014 and the years ended December 31, 2013 and 2012, respectively.

Vidara also issued and sold an aggregate principal amount of $5.5 million in subordinated notes, of which $2.5 million was purchased by Altiva Capital, LLC, a Delaware limited liability company controlled by Mr. Balaji Venkataraman. The entire outstanding principal amount of the notes is due upon maturity at June 19, 2018. Interest on the notes is payable quarterly and accrues at a rate of 12.0% per annum. In addition, interest of 2.0% is accrued and added to the principal balance of the notes pursuant to the terms of the subordinated note agreement and, as a result, the aggregate principal amount of the subordinated notes outstanding at March 31, 2014 was $5.7 million. Interest expense related to the subordinated notes was approximately $0.2 million, $0.8 million and $0.4 million for the three months ended March 31, 2014 and the years ended December 31, 2013 and 2012, respectively. Vidara incurred approximately $0.2 million in related issuance costs that have been capitalized and amortized over the term of the subordinated notes under the effective interest method. Amortization expense related to the subordinated notes issuance costs totaled approximately $9,000, $34,000 and $18,000 for the three months ended March 31, 2014 and the years ended December 31, 2013 and 2012, respectively. The subordinated notes are unsecured and contain certain restrictive covenants. As of March 31, 2014, Vidara was in compliance with the terms of all such covenants. The subordinated notes will be repaid in full with cash on hand prior to the consummation of the Merger.

Vidara issued an unsecured subordinated promissory note in the amount of approximately $16.9 million to Vidara Holdings. The promissory note is subordinated to the senior term loan and the subordinated notes detailed above. No principal repayments can be made on the promissory note until June 20, 2018. The promissory note is unsecured. The promissory note bears interest at a rate of 1.07% and is payable annually in cash. The promissory note will be repaid in full with cash on hand prior to the consummation of the Merger.

Vidara received a cash contribution of $10.0 million from Vidara Holdings concurrent with the receipt of the proceeds of the term loan, the senior subordinated notes and the unsecured subordinated promissory note.

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Contractual Obligations

The following table reflects a summary of Vidara s contractual obligations as of December 31, 2013:

	Payments Due by Period				
	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years	Total
	(in thousands)				
Operating lease obligations[1]	$ 52	$ 107	$ 104	$ 0	$ 263
Minimum purchase obligation[2]	3,990	7,980	7,980	3,990	23,940
Term loan facility[3]	1,786				1,786
Subordinated notes			5,465		5,465
Unsecured subordinated promissory notes			16,929		16,929
Contingent royalty payment liability	1,500				1,500
Total	**$ 7,328**	**$ 8,087**	**$ 30,478**	**$ 3,990**	**$ 49,883**

(1) Operating Leases: Vidara is obligated under the terms of operating lease arrangements for its offices in Roswell, Georgia and Dublin, Ireland. Rent expense was approximately $106,000 and $50,000 for the years ended December 31, 2013 and 2012, respectively. The lease agreements for the office space in Roswell, GA and Dublin, Ireland expire in 2018 and 2014, respectively.
(2) Based on an estimate of the minimum order required to be placed annually with Boehringer Ingelheim, using a Dollar : Euro rate of 1.38
(3) The term loan was repaid in March 2014.

Royalty obligations

In addition to the obligations set out in the above table, Vidara has material obligations to pay royalties to certain third parties on net sales of ACTIMMUNE.

Under the terms of the license agreement with Genentech Inc. (Genentech), which was the original developer of ACTIMMUNE, Vidara has paid and will continue to pay royalties to Genentech on its net sales of ACTIMMUNE as follows:

For the period through November 25, 2014, Vidara pays a royalty of 45% of the first $3.7 million in net sales achieved in a calendar year, and 10% on all additional net sales in that year;

For the period from November 25, 2014 through May 5, 2018, the royalty payments are reduced to a 20-30% range for the first tier in net sales and in the 1-9% range for the second tier; and

From May 5, 2018 and for so long as Vidara continues to commercially sell ACTIMMUNE, Vidara will pay an annual royalty in the low single digits as a percentage of annual net sales.

Under the terms of its agreement with InterMune s parent company predecessor, Connetics Corporation (which is now part of GlaxoSmithKline, Connetics), Vidara has paid and will continue to pay royalties to Connetics on Vidara s net sales of ACTIMMUNE as follows:

One-quarter of one percent (0.25%) of net sales of ACTIMMUNE, rising to one-half of one percent (0.5%) once cumulative net sales of ACTIMMUNE in the United States surpass $1.0 billion; and

In the event Vidara develops and receives approval for ACTIMMUNE in the indication of scleroderma, it will pay a royalty of 4% on all net sales of ACTIMMUNE recorded for use in that indication.

Off-Balance Sheet Arrangements

Vidara does not have any off-balance sheet arrangements.

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Provisions

A provision is recognized in the balance sheet when Vidara has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. The following table summarizes the key provisions on the Vidara balance sheet at March 31, 2014, December 31, 2013 and December 31, 2012.

	March 31, 2014	December 31, 2013	2012
		(in thousands)	
Customer chargebacks and rebates	$ 6,676	$ 6,611	$ 7,460
Product returns	368	803	88
Royalties	4,025	3,024	4,613
Accrued compensation and related expenses	296	2,049	668
Interest	58	91	508
Inventory purchase obligation	461	437	3,506
Other	960	500	738
	$ 12,844	$ 13,515	$ 17,582

Quantitative and Qualitative Disclosures about Market Risk

Vidara s operations expose it to various financial risks in the ordinary course of business that include foreign currency risk, interest rate risk and credit risk.

Vidara manages its financial risk exposures on a group wide basis and seeks to reduce the exposure of significant risks through a process of controlling, monitoring and reporting. Planning and budgetary processes increase the opportunity for early warnings of financial risk. Monthly financial reporting aids the identification of risk areas by management. Vidara s approach to the management of these financial risks is further described for each risk area below.

Foreign Currency Risk

Vidara s assets and liabilities are denominated in U.S. dollars. The principal currency exposure is the Euro denominated price of the ACTIMMUNE product and other expenses in Ireland-based subsidiaries. Vidara does not hedge these Euro expenses.

Interest Rate Risk

The only debt of Vidara which accrued interest at a variable rate was the term loan which was repaid in full in March 2014. All other outstanding debt of Vidara bears a fixed interest rate.

Vidara s policy is to ensure that cash is secure and held in short term fixed deposit accounts or current accounts with financial institutions. As of March 31, 2014, Vidara had cash in short term deposits with financial institutions, earning interest at various variable and fixed interest rates. In the current environment of low deposit rates, any change in rates would not be expected to have a material effect.

Credit Risk

Credit risk is the risk of financial loss to Vidara if a customer or counterparty to a financial instrument fails to meet contractual obligations, and arises principally from cash and cash equivalents and receivables from customers.

At March 31, 2014, Vidara had a concentration of credit risk amongst its five main customers that account for over 85% of sales. However, all accounts receivable were current as of March 31, 2014, December 31, 2013 and December 31, 2012 and thus Vidara considers the credit risk pertaining to these customers to be insignificant and furthermore, Vidara continually monitors customer accounts and credit granted to its customers.

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New Horizon

UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

New Horizon Unaudited Pro Forma Combined Financial Statements

The following unaudited pro forma combined financial statements give effect to (i) the Merger of Horizon with and into a wholly-owned subsidiary of New Horizon in a transaction to be accounted for as a reverse acquisition, with Horizon being deemed the acquiring company for accounting purposes, (ii) the incurrence of US $300 million of debt by Horizon, and (iii) the acquisition of VIMOVO® rights (AZ VIMOVO or VIMOVO Acquisition) by Horizon including the related financing, which was completed on November 18, 2013, on New Horizon s financial position and results of operations (the Pro Forma Transactions). The unaudited pro forma combined balance sheet as of March 31, 2014 gives effect to the Pro Forma Transactions described in clauses (i) and (ii) as if such transactions had occurred on March 31, 2014. The unaudited pro forma combined statement of operation for the year ended December 31, 2013 and the three months ended March 31, 2014 give effect to the Pro Forma Transactions as if they occurred on January 1, 2013.

Because the security holders of Horizon will own approximately 74% of the fully-diluted capitalization of New Horizon immediately following the closing of the Merger and the directors and management of Horizon will retain a majority of board seats and key positions in the management of New Horizon, Horizon is considered to be the acquiring company for accounting purposes, and the transaction will be accounted for by Horizon as a reverse acquisition under the acquisition method of accounting for business combinations. Accordingly, the acquisition consideration for accounting purposes will consist of the New Horizon ordinary shares to be held by the historic shareholder of Vidara immediately following the completion of the Merger and the cash consideration payable to the shareholder of Vidara in redemption of bonus shares of Vidara. Assets and liabilities of Vidara will be measured at fair value and added to the assets and liabilities of Horizon, and the historical results of operations of Horizon will be reflected in the results of operations of New Horizon following the Merger.

The Horizon balance sheet and statement of operations information as of and for the three months ended March 31, 2014 was derived from its unaudited consolidated financial statements included in its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014, incorporated by reference herein. The Horizon balance sheet and statement of operations information for the year ended December 31, 2013 was derived from its audited consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2013, incorporated by reference herein. See *Where You Can Find More Information*.

The Vidara balance sheet and statement of operations information as of and for the three months ended March 31, 2014 was derived from the unaudited interim combined financial statements of the Vidara Group as of March 31, 2014, and the statement of operations for the year ended December 31, 2013 was derived from the audited combined financial statements of the Vidara Group as of and for the year ended December 31, 2013, in each case included elsewhere in this proxy statement/prospectus.

The AZ VIMOVO statement of operations information is derived from Horizon s unaudited pro forma condensed combined statements of income/(loss) for the year ended December 31, 2013 included in Exhibit No. 99.1 to Horizon s Annual Report on Form 10-K for the year ended December 31, 2013, incorporated by reference herein. See *Where You Can Find More Information.*

Horizon has not completed a full, detailed valuation analysis necessary to determine the fair values of Vidara s identifiable assets to be acquired and liabilities to be assumed. However, a preliminary valuation analysis was

performed as of March 31, 2014, the date on which the proposed Merger is assumed for purposes of the pro forma balance sheet, related to marketed products rights, customer relationships, inventories, and contingent royalty liabilities.

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A final determination of the fair value of Vidara s assets and liabilities will be based on the actual net tangible and intangible assets and liabilities of Vidara that exist as of the date of completion of the merger and, therefore, cannot be made prior to the completion of the transaction. Accordingly, the unaudited pro forma purchase price adjustments are preliminary and are subject to further adjustments as additional information becomes available and as additional analyses are performed, and such further adjustments may be material. The preliminary unaudited pro forma purchase price adjustments have been made solely for the purpose of providing the unaudited pro forma combined financial information presented below. Horizon has estimated the fair value of Vidara s assets and liabilities based on discussions with Vidara s management, preliminary valuation studies and due diligence.

The number of New Horizon ordinary shares to be retained by the sole shareholder of Vidara is fixed in schedule 1 to the Merger Agreement as 31,350,000 ordinary shares of New Horizon and the fair value of these New Horizon ordinary shares used in these unaudited pro forma combined financial statements equals the closing per-share market value of Horizon common stock of $14.75 as of June 13, 2014. The estimated amount of cash paid as consideration to the Vidara Holdings at closing is $199,539,949 in these unaudited pro forma combined financial statements. The actual cash will be determined at the time of closing and the fair value of the New Horizon ordinary shares will be determined at the time of closing. The terms of the debt financing to be entered into in order to pay Vidara Holdings cash in connection with closing will also be determined at the time of closing. Accordingly, the unaudited pro forma combined financial statements include only preliminary estimates. The amounts of acquisition consideration, assets acquired and liabilities assumed that will be used in acquisition accounting will be based on their respective fair values as determined at the time of closing, and may differ significantly from these preliminary estimates.

The unaudited pro forma combined financial statements do not give effect to the potential impact of current financial conditions, regulatory matters, operating efficiencies or other savings or expenses that may be associated with the acquisition. The unaudited pro forma combined financial data information also does not include any integration costs. The unaudited pro forma combined financial statements have been prepared for illustrative purposes only and are not necessarily indicative of the financial position or results of operations in future periods or the results that actually would have been realized had Horizon and Vidara been a combined company during the specified periods. The unaudited pro forma combined financial statements, including the notes thereto, should be read in conjunction with the historical unaudited consolidated financial statements of Horizon included in its Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 and in conjunction with the historical consolidated financial statements of Horizon included in its Annual Report on Form 10-K for the year ended December 31, 2013, both incorporated by reference herein, and the historical combined financial statements of the Vidara Group as of and for the three months ended March 31, 2014 and for the year ended December 31, 2013, included elsewhere in this proxy statement/prospectus.

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Unaudited Pro Forma Combined Balance Sheet

as of March 31, 2014

(in thousands)

	Horizon Pharma March 31, 2014	Vidara March 31, 2014	Reclassifications	Note	Pro Forma Adjustments	Note	Pro Forma Combined
Assets							
Current assets:							
Cash and cash equivalents	$ 103,374	$ 32,195			$ (32,195)	**6A**	$ 158,467
					300,000	**6D**	
					(199,540)	**6F**	
					(15,467)	**6I**	
					(29,900)	**6J**	
Restricted Cash	738						738
Accounts Receivables, net	40,100	11,097					51,197
Inventories, net	9,432	2,522			31,645	**6H**	43,599
Prepaid expenses and other current assets	9,105	308			15,467	**6I**	20,547
					(4,333)	**6N**	
Deferred tax asset		1,290			(1,268)	**6L**	22
Total current assets	**$ 162,749**	**$ 47,412**			**$ 64,409**		**$ 274,570**
Long-term assets:							
Property, plant and equipment, net	$ 3,897	$ 374			$		$ 4,271
Intangible Assets, net	125,992	46,806			(46,806)	**6C**	732,792
					606,800	**6G**	
Goodwill					61,998	**6G**	61,998
Deferred tax asset		4,483			(4,483)	**6L**	
Other Assets	6,496						6,496
Total assets	**$ 299,134**	**$ 99,075**			**$ 681,918**		**$ 1,080,127**
Liabilities and Shareholders Equity							
Current liabilities:							
Accounts payable	$ 10,271	$ 600	$		$		$ 10,871
Accrued expenses	44,712	12,844	820	**4A**	(3,287)	**6J**	55,089
Accrued royalties	11,416				5,500	**6K**	16,916
Customer Deposits		820	(820)	**4A**			
	3,102						3,102

Deferred Revenues Current Portion					
Due to parent		470	(470)	**6B**	
Total current liabilities	**$ 69,501**	**$ 14,734**	**$ 1,743**		**$ 85,978**
Long-Term liabilities:					
Convertible debt, net	$ 112,774	$	$		$ 112,774
Derivative liability	313,440				313,440
Accrued royalties	21,576		26,000	**6K**	47,576
Notes payable, net of current			300,000	**6D**	300,000
Deferred revenues, net of current	8,017				8,017
Deferred tax liabilities, net	2,903		6,271	**6L**	3,064
			(6,110)	**6M**	
Other long term liabilities	166		778	**6L**	944
Unsecured sub prom note Parent		16,929	(16,929)	**6B**	
Subordinated debt-related party		5,666	(5,666)	**6B**	
Total Long-term liabilities	**$ 458,876**	**$ 22,595**	**$ 304,344**		**$ 785,815**
Shareholders Equity					
Common stock ($.0001 par value; 200,000,000 shares authorized, 71,413,573 shares issued and outstanding at 3/31/2014)	$ 7	$	$ 3	**6F**	$ 10
Additional paid-in capital	436,513	10,233	(66,169)	**6E**	898,926
			55,936	**6A,6B,6C**	
			462,410	**6F**	
Accumulated other comprehensive loss	(2,398)				(2,398)
Accumulated deficit	(663,365)	51,513	(26,613)	**6J**	(683,868)
			(51,513)	**6E**	
			6,110	**6M**	
			(4,333)	**6N**	
Total stockholders (deficit) equity	**$ (229,243)**	**$ 61,746**	**$ 375,831**		**$ 208,334**
Total liabilities and shareholders equity	**$ 299,134**	**$ 99,075**	**$ 681,918**		**$ 1,080,127**

See accompanying notes to the unaudited pro forma combined financial statements.

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Unaudited Pro Forma Combined Statement of Operations

For the three months ended March 31, 2014

(in thousands, except per share amounts)

	Horizon Pharma March 31, 2014	Vidara March 31, 2014	Reclassifications	Note	Pro Forma Adjustments	Note	Pro Forma Combined
Revenues:							
Gross Sales	$ 92,248	$	$ 26,942	5A	$		$ 119,190
Sales discounts and allowances	(40,322)		(9,590)	5A			(49,912)
Net Sales	**$ 51,926**	**$ 17,352**	**$**		**$**		**$ 69,278**
Cost of sales	7,619	858	849	5B	(849)	7B	21,710
			3,037	5C	10,196	7B	
Gross profit	**$ 44,307**	**$ 16,494**	**$ (3,886)**		**$ (9,347)**		**$ 47,568**
Operating Expenses:							
Research and development	$ 2,833	$	$		$		$ 2,833
Sales and marketing	28,695		1,796	5D			30,491
General and administrative	11,192	3,126	52	5B	(1,191)	7A	9,798
					(3,381)	7A	
Selling Expenses		1,796	(1,796)	5D			
Depreciation and Amortization		1,371	(901)	5B	(470)	7D	
Royalty expense		3,037	(3,037)	5C			
Total operating expenses	**$ 42,720**	**$ 9,330**	**$ (3,886)**		**$ (5,042)**		**$ 43,122**
Operating Income (loss)	**$ 1,587**	**$ 7,164**	**$**		**$ (4,305)**		**$ 4,446**
OTHER (EXPENSE) INCOME, NET:							
Interest expense, net	$ (4,207)	$ (268)	$		$ (7,523)	7C	$ (11,730)
					268	7D	
Foreign exchange gain (loss)	(38)						(38)
Loss on derivative fair value	(204,030)						(204,030)
Other, net	(667)		(42)	5E	667	7A	(42)
		(42)	42	5E			

Miscellaneous expense (income)					
Total other expense, net	**$ (208,942)**	**$ (310)**	**$**	**$ (6,588)**	**$ (215,840)**
Loss before benefit for income taxes	$ (207,355)	$ 6,854	$	$ (10,893)	$ (211,394)
BENEFIT FOR INCOME TAXES	(1,105)	354		(19) **7E**	(770)
NET LOSS	**$ (206,250)**	**$ 6,500**	**$**	**$ (10,874)**	**$ (210,624)**
Net Loss per Common Share-basic and diluted:	**$ (3.07)**	**$**	**$**	**$**	**$ (2.14)**

See accompanying notes to the unaudited pro forma combined financial statements.

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Unaudited Pro Forma Combined Statement of Operations

For the year ended December 31, 2013

(in thousands, except per share amounts)

	Historical Horizon Pharma December 31, 2013	Legacy AZ VIMOVO December 31, 2013		Historical Vidara December 31, 2013	Legacy AZ VIMOVO Acquisition Acctg Adjustments	Note	Vidara Reclassifications	Note	Vidara Acquisition Accounting Adjustments	Note	Pro Forma Combined
Revenues:											
Gross Sales	$ 102,995	$ 20,379	**8A**	$	$		$ 94,674	**5A**	$		$ 218,048
Sales discounts and allowances	(28,979)						(35,823)	**5A**			(64,802)
Net Sales	74,016	20,379		58,850							153,246
Cost of sales	14,625	6,484		6,272	10,408	**8B**	3,521	**5B**	(3,521)	**7B**	85,944
							7,371	**5C**	40,783	**7B**	
Gross profit	**$ 59,391**	**$ 13,895**		**$ 52,578**	**$ (10,408)**		**$ (10,892)**		**$ (37,262)**		**$ 67,302**
Operating Expenses:											
Research and development	$ 10,084	$		$	$		$		$		$ 10,084
Sales and marketing	68,595	11,368					6,650	**5D**			86,613
General and administrative	23,566			9,646			117	**5B**	(1,061)	**7A**	32,268
Selling Expenses				6,650			(6,650)	**5D**			
Depreciation and Amortization				4,409			(3,638)	**5B**	(771)	**7D**	
Royalty expense				7,371			(7,371)	**5C**			
Total operating expenses	**$ 102,245**	**$ 11,368**		**$ 28,076**	**$**		**$ (10,892)**		**$ (1,832)**		**$ 128,965**

Operating Income (loss)	$ (42,854)	$ 2,527	$ 24,502	$ (10,408)		$		$ (35,430)		$ (61,633)
OTHER (EXPENSE) INCOME, NET:										
Interest expense, net	$ (39,178)	$	$ (1,954)	$ 22,345	**8C**	$		$ (30,093)	**7C**	$ (46,925)
								1,955	**7D**	
Foreign exchange gain (loss)	1,206									1,206
Loss on derivative fair value	(69,300)									(69,300)
Other, net						2,655	**5E**	(3,068)	**7F**	(413)
Miscellaneous expense (income)			2,655			(2,655)	**5E**			
Total other expense, net	**$ (107,272)**	**$**	**$ 701**	**$ 22,345**		**$**		**$ (31,206)**		**$ (115,432)**
Loss before benefit for income taxes	$ (150,126)	$ 2,527	$ 25,203	$ 11,937		$		$ (66,636)		$ (177,095)
BENEFIT FOR INCOME TAXES	(1,121)		(3,033)					(290)	**7E**	(4,444)
NET LOSS	**$ (149,005)**	**$ 2,527**	**$ 28,235**	**$ 11,937**		**$**		**$ (66,346)**		**$ (172,651)**
Net Loss per Common Share- basic and diluted:	**$ (2.34)**	**$**	**$**	**$**		**$**		**$**		**$ (1.82)**

See accompanying notes to the unaudited pro forma combined financial statements.

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New Horizon

NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

1. Description of Transaction

On March 18, 2014, Horizon Pharma, Inc. (Horizon), Vidara Therapeutics Holdings LLC, a Delaware limited liability company (Holdings), Vidara Therapeutics International Ltd, a private limited company formed under the laws of Ireland (Vidara), Hamilton Holdings (USA) Inc., a Delaware corporation (US HoldCo), Hamilton Sub Inc., a Delaware corporation and wholly owned subsidiary of HoldCo (Merger Sub), entered into an Transaction Agreement and Plan of Merger (the Merger Agreement). Under the terms of the Merger Agreement and subject to the satisfaction or waiver of the conditions therein, Horizon and Vidara will combine their businesses in a stock transaction in which (a) Vidara will carry out the reorganization described below and (b) Merger Sub will merge with and into Horizon, with Horizon surviving as an indirect wholly-owned subsidiary of Vidara (the Merger). The transaction has been approved by the boards of directors of both Horizon and Vidara and by Holdings, the sole shareholder of Vidara.

Prior to the effective time of the Merger, Vidara will carry out a reorganization of its capital structure (the reorganization). The reorganization consists of a series of corporate actions as a result of which: (i) Vidara has formed a new non-resident Irish company that is a tax resident in Bermuda referred to as Newco, (ii) Vidara has assigned all of its contracts and has sold and transferred all of its intellectual property to Newco in exchange for a promissory note with an original principal amount equal to the fair market value of such assets, which will be repaid in consideration for the issuance of two promissory notes of the same aggregate original principal amount, one of which will be repaid in cash on the closing date, (iii) Vidara has moved its tax residence from Bermuda to Ireland, (iv) Vidara will create a new class of ordinary shares denominated in US dollars (as well as create additional euro-denominated share capital up to a par value of 40,000) such that the aggregate number of US dollar-denominated ordinary shares shall be sufficient to cover the ordinary shares to be issued in exchange for the outstanding shares of Horizon common stock and shares of Horizon common stock reserved for issuance under outstanding Horizon equity awards and warrants and Horizon s outstanding convertible notes, and ordinary shares and bonus shares equal to 31,350,000 shares representing Vidara Holdings agreed shareholdings in New Horizon following the closing and a bonus issue of shares to be held by Vidara Holdings and redeemed by Vidara from distributable reserves for cash as of the closing, (v) Vidara will be re-registered as a public limited company in Ireland, (vi) Vidara will redeem the bonus issue of shares for cash in the amount of $200,000,000 plus cash on hand at Vidara on the closing date, less Vidara s unpaid indebtedness and unpaid transaction expenses, and plus or minus an adjustment to the extent that Vidara working capital as of the closing is more or less than target working capital of $123,000 and (vii) Vidara will be renamed Horizon Pharma plc.

At the effective time of the Merger, among other things, (i) each share of Horizon common stock then issued and outstanding will be canceled and automatically converted into and become the right to receive one ordinary share of New Horizon and (ii) each outstanding option, warrant or another equity award of Horizon will be converted into an option, warrant or another equity award of New Horizon that would have substantially the same terms and conditions, including the number of shares and the exercise price, as were applicable before the effective time of the Merger.

Pursuant to the Merger Agreement, as of the effective time of the Merger, the directors of New Horizon will be the directors of Horizon as of immediately prior to the effective time of the Merger (unless otherwise directed by Horizon), plus one additional director to be designated by Vidara, the officers of New Horizon following the Merger will be designated by Horizon.

On November 18, 2013, Horizon Pharma, Inc. entered into an asset purchase agreement with AstraZeneca AB (AstraZeneca), pursuant to which they agreed to acquire from AstraZeneca and its affiliates certain intellectual

property and other assets, and assume from AstraZeneca and its affiliates certain contingent liabilities, each with respect to VIMOVO®. In connection with the closing of the VIMOVO Acquisition, on

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November 22, 2013, a letter agreement with AstraZeneca and Pozen Inc. (Pozen) became effective. AstraZeneca assigned to Horizon its amended and restated collaboration and license agreement for the United States with Pozen, as amended, and Horizon entered into a license agreement with AstraZeneca, a transition agreement with AstraZeneca and a supply agreement with AstraZeneca s affiliate, AstraZeneca LP. Horizon has accounted for this transaction as a business combination in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC) 805, Business Combinations .

In addition, on November 22, 2013, Horizon closed on an offering of $150 million aggregate principal amount of 5.00% Convertible Senior Notes due 2018 (the 5.00% Convertible Notes) pursuant to note purchase agreements (the Note Purchase Agreements) entered into by and between Horizon and the purchasers of the Notes (the Purchasers). In connection with the closing, on November 22, 2013, Horizon issued and sold to the Purchasers the 5.00% Convertible Notes pursuant to the Note Purchase Agreements. The 5.00% Convertible Notes are governed by an Indenture, dated as of November 22, 2013 (the Indenture), between Horizon and U.S. Bank National Association, as trustee (the Trustee). Horizon used $70.4 million of the net proceeds from the sale and issuance of the 5.00% Convertible Notes to repay all obligations under Horizon s previous senior secured loan as of November 22, 2013.

On November 22, 2013, Horizon also entered into capped call transactions to cover, subject to anti-dilution adjustments substantially similar to those applicable to the 5% Convertible Notes, the number of shares of Horizon s common stock underlying the 5.00% Convertible Notes. The capped call transactions were entered into to reduce potential dilution to Horizon s common stock upon any conversion of the 5.00% Convertible Notes in excess of the principal amount of converted 5.00% Convertible Notes if the market price per share of Horizon s common stock, as measured under the terms of the capped call transactions, is greater than the strike price of the capped call transactions, which initially corresponds to the conversion price of the Notes and is subject to anti-dilution adjustments substantially similar to those applicable to the conversion rate of the Notes. Horizon expect the options that are part of the capped call transactions to be exercised shortly prior to the maturity date of the Notes and will settle on or about the maturity date of the 5.00% Convertible Notes. Horizon will not be required to make any cash payments to the option counterparties or their respective affiliates upon the exercise of such options, but will be entitled to receive from the option counterparties a number of shares of Horizon s common stock generally based on the amount by which the market price of Horizon s common stock, as measured under the terms of the capped call transactions, is greater than the strike price of the capped call transactions during the relevant settlement averaging period under the capped call transactions. Results for the VIMOVO Acquisition are included in Horizon s historical results of operation from the acquisition date.

2. Basis of Presentation

Because Horizon security holders will own approximately 74% of the ordinary shares of New Horizon on a fully diluted basis immediately following the closing of the Merger, and the directors and management of Horizon will retain a majority of board seats and key positions in the management of New Horizon, Horizon is deemed to be the acquiring company for accounting purposes, and the transaction will be accounted for by Horizon as a reverse acquisition under the acquisition method of accounting for business combinations. Accordingly, assets and liabilities of Vidara will be measured at fair value and added to the assets and liabilities of Horizon, and the historical results of operations of Horizon will be reflected in the results of operations of New Horizon following the Merger.

The unaudited pro forma combined financial information was prepared using the acquisition method of accounting, based on the historical financial statements of Horizon and the Vidara Group, with Horizon being the accounting acquirer. Certain reclassifications have been made to the historical financial statements of the Vidara Group to conform to the financial statement presentation to be adopted by the combined company. These adjustments are related to the presentation of customer deposits, accrued royalties, gross sales and sales discounts and allowances,

depreciation and amortization, royalty expense, selling expenses, and miscellaneous expenses. All such adjustments and reclassification have been included in Pro Forma Adjustments in the Unaudited Pro Forma Combined Balance Sheet and Unaudited Pro Forma Combined Statements of Income.

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The total estimated acquisition consideration for the acquisition (for accounting purposes) of Vidara is expected to equal the market value of the New Horizon ordinary shares that will be held by current Vidara shareholders immediately following the closing of the Merger plus the estimated cash consideration. For purposes of these unaudited pro forma combined financial statements, the acquisition consideration was based on the number of New Horizon ordinary shares that would have been held by the current Vidara shareholder, had the Merger closed on a recent date, specifically, utilizing the June 13, 2014 stock price of $14.75, and the market value of Horizon common stock as of that date $462,412,500 and cash of $199,539,949 based on estimates had the Merger closed on a recent date. Cash consideration was estimated to be $200,000,000, prior to a working capital adjustment. Total acquisition consideration as of this date is estimated to be $661,952,449. An increase of 10% in Horizon s share price would increase the total consideration by $46,241,250, and a decrease of 10% in Horizon s share price would decrease the total consideration by $46,241,250.

Under the acquisition method of accounting, identifiable assets and liabilities of Vidara, including identifiable intangible assets, will be recorded based on their estimated fair values as of the date of the closing of the Merger. Goodwill is calculated as the difference between the estimated acquisition consideration and fair values of identifiable net assets acquired.

The pro forma adjustments to reflect the acquired assets and assumed liabilities of Vidara are based on the fair value of Vidara s assets and liabilities as of March 31, 2014. The estimated acquisition consideration and the preliminary allocation of the estimated acquisition consideration are, in part, based upon a preliminary management valuation, as described below, and Horizon and Vidara s estimates and assumptions which are subject to change until the closing of the Merger.

Cash and cash equivalents, and other tangible assets and liabilities: Tangible assets and liabilities were valued at their respective carrying amounts, except for adjustments to inventories and prepaid assets. Horizon and Vidara believe that these amounts approximate their current fair values.

Inventories: Inventories acquired include raw materials and finished goods. Fair value of finished goods has been determined based on the estimated selling price, net of selling costs and a margin on the selling costs. Fair value of raw materials has been estimated to equal the replacement cost.

Identifiable intangible assets and liabilities: Identifiable intangible assets and liabilities acquired include developed technology and customer relationships. The fair value of intangible assets is based on management s preliminary valuation. Estimated useful lives (where relevant for the purposes of these unaudited pro forma financial statements) are based on the time periods during which the intangibles are expected to result in incremental cash flows.

Developed technology: Developed technology intangible assets (Intellectual Property) reflect the estimated value of Vidara s rights to the currently marketed products. The fair value of developed technology was determined using an income approach. The income approach explicitly recognizes that the fair value of an asset is premised upon the expected receipt of future economic benefits such as earnings and cash inflows based on current sales projections and estimated direct costs for their product line. Indications of value are developed by discounting these benefits to their present worth at a discount rate that reflects the current return requirements of the market. The fair value of developed technology will be capitalized as of the acquisition date and subsequently amortized over the estimated remaining life of the product at 15 years.

Customer relationships: Customer relationships intangible assets reflect the estimated value of attrition related to Vidara s customer base. Vidara s customers are predominantly retail pharmacies with demand for Actimmune, which is a small population. As such, a significant portion of revenue growth is expected to be generated from existing

customers. Management assessed the historical customer trends to identify the anticipated attrition. The fair value of customer relationships will be capitalized as of the acquisition date and subsequently amortized over the estimated remaining life of the product at 10 years.

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Goodwill: Goodwill represents the excess of the preliminary acquisition consideration over the estimated fair values of net assets acquired. Goodwill will not be amortized but will be tested for impairment at least annually or whenever certain indicators of impairment are present. In the future, if it is determined that goodwill is impaired an impairment charge would be recorded at that time.

Deferred tax assets and liabilities: Deferred tax assets and liabilities arise from acquisition accounting adjustments where book values of certain assets and liabilities differ from their tax bases. Deferred tax assets and liabilities are recorded at the currently enacted rates which will be in effect at the time when the temporary differences are expected to reverse in the country where the underlying assets and liabilities are located (United States or Ireland). Vidara s customer relationships intangible assets are located in the United States where a U.S. tax rate of 39% is being utilized and a deferred tax liability is recorded. Vidara s developed technology assets are located in Bermuda which does not have income taxes; accordingly, no deferred tax liabilities were recorded related to this intangible asset.

Pre-existing contingencies: Horizon has identified a contingent liability potentially payable under previously existing royalty and licensing agreements. The initial fair value of this liability was determined using a discounted cash flow analysis incorporating the estimated future cash flows of royalty payments based on future sales. The liability will be periodically assessed based on events and circumstances related to the underlying milestones, and any change will be recorded in Horizon s consolidated statement of operations.

The preliminary determination of the fair value of the acquired net assets, assuming the Merger had closed on March 31, 2014, is as follows (in thousands):

	Amount
Cash Consideration Paid	$ 199,540
Share Consideration	462,413
Total Purchase Price to be Allocated	**$ 661,953**
Estimated Fair Value of Assets Acquired:	
Assumed Liabilities	46,542
Accounts Receivable	(11,097)
Inventory	(34,167)
Deferred Tax Assets	(22)
Prepaid Expenses	(308)
Depreciable Fixed Assets and Other Assets	(374)
Customer Relationships	(9,900)
Deferred Tax Liabilities	6,271
Developed Technology	(596,900)
Goodwill	**$ 61,998**

Horizon accounts for business combinations in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC) 805, Business Combinations . The purchase price for the Acquisition has been assigned to the assets and liabilities acquired based on a preliminary valuation of their respective fair values. Upon completion of detailed valuation studies the Company may make additional adjustments to the fair values, and these valuations could change significantly from those used to determine certain adjustments in the pro forma combined statement of

earnings.

On June 17, 2014, Horizon, as initial signatory, entered into a Credit Agreement (the Credit Agreement) with the lenders from time to time party thereto (each a Lender and collectively the Lenders) and Citibank, N.A., as administrative agent and collateral agent.

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The Credit Agreement provides for (i) a committed five-year $300 million term loan facility (the Term Loan Facility), the proceeds of which shall be used to effect the transactions contemplated by the Merger Agreement (the Merger), to pay fees and expenses in connection therewith and for general corporate purposes, (ii) an uncommitted accordion facility subject to the satisfaction of certain financial and other conditions, and (iii) one or more uncommitted refinancing loan facilities with respect to loans under the Credit Agreement.

The Lenders have committed to fund the loans under the Term Loan Facility on the closing date of the Merger (the Closing Date), subject to (i) customary closing conditions, including, among other things, the execution and delivery of joinders to the Credit Agreement by Vidara and certain subsidiaries of Vidara and Horizon, (ii) the execution and delivery of certain subsidiary guarantees, security and collateral documents and the delivery of customary closing documents and opinions, (iii) consummation of the acquisition in accordance with the terms of the Merger Agreement, (iv) the absence of a material adverse effect with respect to Vidara, and (v) the truth and correctness of certain specified representations in the Credit Agreement and certain representations of Vidara in the Merger Agreement.

The borrower under the Term Loan Facility will be U.S. HoldCo. The Credit Agreement allows for Vidara and other subsidiaries of Vidara to become borrowers under the accordion facility. Loans under the Term Loan Facility bear interest, at each Borrower s (as such term is defined in the Credit Agreement) option, at a rate equal to either the LIBOR rate, plus an applicable margin of 8.00% per annum (subject to a 1.00% LIBOR floor), or the prime lending rate, plus an applicable margin equal to 7.00% per annum.

3. Accounting Policies

Following the acquisition, Horizon will conduct a review of Vidara s accounting policies in an effort to determine if differences in accounting policies require adjustment or reclassification of Vidara s results of operations or reclassification of assets or liabilities to conform to Horizon accounting policies and classifications. As a result of that review, Horizon may identify differences between the accounting policies of the two companies that, when conformed, could have a material impact on these pro forma combined financial statements. During the preparation of these pro forma combined financial statements, Horizon was not aware of any material differences between accounting policies of the two companies, except for certain reclassifications necessary to conform to Horizon financial presentation, and accordingly, these pro forma combined financial information do not assume any material differences in accounting policies between the two companies.

Pro Forma Adjustments

4. Vidara Balance Sheet Reclassification

Certain reclassifications have been recorded to Vidara s historical balance sheet to conform to Horizon s presentation, as follows (in thousands):

	Horizon	Vidara	Reclassification	
Accrued expenses	$ 44,712	$ 12,844	$ 820	**4A**
Customer Deposits		820	(820)	**4A**

A. Customer deposits in Vidara s historical balance sheet have been reclassified to conform to Horizon s presentation.

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5. Vidara Income Statement Reclassification

Certain reclassifications have been recorded to Vidara s historical statements of operations to conform to Horizon s presentation, as follows (in thousands):

December 31, 2013

	Horizon	Vidara	Reclassification	
Revenues:				
Gross Sales	$ 102,995	$	$ 94,674	**5A**
Sales discounts and allowances	(28,979)		(35,823)	**5A**
Net Sales	74,016	58,850		
Cost of sales	14,625	6,272	3,521	**5B**
			7,371	**5C**
Operating Expenses:				
Sales and marketing	$ 68,595	$	$ 6,650	**5D**
General and administrative	23,566	9,646	117	**5B**
Selling Expenses		6,650	(6,650)	**5D**
Derpreciation and Amortization		4,409	(3,638)	**5B**
Royalty expense		7,371	(7,371)	**5C**
Other, net			(2,655)	**5E**
Miscellaneous expense (income)		(2,655)	2,655	**5E**

A. Gross sales and Sales discounts and allowances of Vidara have been separately presented in its historical statement of earnings to conform to Horizon s presentation.

B. Depreciation and amortization expense in Vidara s historical statement of earnings has been reclassified to cost of sales to conform to Horizon s presentation.

C. Royalty expense in Vidara s historical statement of earnings has been reclassified to cost of sales to conform to Horizon s presentation.

D. Selling expenses in Vidara s historical statement of earnings has been reclassified to sales and marketing to conform to Horizon s presentation.

E. Miscellaneous expense (income) in Vidara s historical statement of earnings has been reclassified to other expense, net to conform to Horizon s presentation.

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March 31, 2014

	Horizon	Vidara	Reclassification	
Revenues:				
Gross Sales	$ 92,248	$	$ 26,942	**5A**
Sales discounts and allowances	(40,322)		(9,590)	**5A**
Net Sales	51,926	17,352		
Cost of sales	7,619	858	849	**5B**
			3,037	**5C**
Operating Expenses:				
Sales and marketing	$ 28,695	$	$ 1,796	**5D**
General and administrative	11,192	3,126	52	**5B**
Selling Expenses		1,796	(1,796)	**5D**
Derpreciation and Amortization		1,371	(901)	**5B**
Royalty expense		3,037	(3,037)	**5C**
Other, net	(667)		(42)	**5E**
Miscellaneous expense		(42)	42	**5E**

A. Gross sales and Sales discounts and allowances of Vidara have been separately presented in its historical statement of earnings to conform to Horizon s presentation.

B. Depreciation and amortization expense in Vidara s historical statement of earnings has been reclassified to cost of sales to conform to Horizon s presentation.

C. Royalty expense in Vidara s historical statement of earnings has been reclassified to cost of sales to conform to Horizon s presentation.

D. Selling expenses in Vidara s historical statement of earnings has been reclassified to sales and marketing to conform to Horizon s presentation.

E. Miscellaneous expense (income) in Vidara s historical statement of earnings has been reclassified to other expenses, net to conform to Horizon s presentation.

6. Pro Forma Adjustments Balance Sheet

A. The Unaudited Pro Forma Balance Sheet reflects the elimination of Vidara s historical Cash balance. Per the Merger Agreement, all Vidara related historical cash will be paid back to the historical shareholders as part of the purchase price after any unpaid Vidara indebtedness is retired at closing and any unpaid Vidara transaction

expenses are paid at closing.

B. As part of the Merger Agreement, Vidara s long term debt (current and long-term portions) including its Parent loan will be paid off by Vidara at closing using Vidara related historical cash.

C. Reflects the elimination of Vidara s historical intangible assets.

D. In connection with the Merger Agreement, Horizon entered into a Credit Agreement which provides a committed five-year $300 million term loan facility, the proceeds of which shall be used to effect the transactions contemplated by the Merger Agreement, to pay fees and expenses in connection therewith and for general corporate purposes. The Pro Forma adjustment reflects the new debt commitment of $300 million necessary to finance the purchase price as impacted by the deferred financing costs which will be charged to interest expense over the life of the loan. Please refer to letter 6I below for further discussion. Other loan transaction fees have been or will be incurred by Horizon relating to the acquisition of debt.

E. The pro forma adjustments to stockholders equity represent the elimination of historical Vidara stockholders equity including the effect of the elimination of certain Merger transactions relating to the equity purchase (consideration) from Horizon.

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F. Under the Merger Agreement, Vidara Holdings is entitled to receive cash in the amount of $200 million plus the cash of Vidara and its subsidiaries on the closing date, less any indebtedness of Vidara that Horizon pays at the closing and less Vidara s unpaid transaction expenses as of the closing, plus or minus an adjustment to the extent that Vidara and its subsidiaries working capital is more or less than the target working capital of $123,000. The Pro Forma adjustment reflects the $199,539,949 of cash consideration and $462,412,500 in stock paid for the Acquisition. The cash consideration is based upon an agreed upon $200,000,000 price minus a working capital adjustment of $460,051, based on ending working capital at 3/31/14 adjusted for the target working capital of $123,000. Vidara Holdings will also receive the remaining cash balance of Vidara after repayment of its indebtedness and unpaid transaction expenses at closing.

a. As part of the transaction, 31,350,000 ordinary shares of New Horizon that will be issued pursuant to reorganization in accordance with the Merger Agreement. The stock consideration is based on the total number of shares issued at a set stock price of $14.75 per share. Fair value of ordinary shares and equity awards was estimated based on closing share price at June 13, 2014 of $14.75. A 10% increase to the Horizon share price would increase the purchase price by $46.24 million, and a 10% decrease in share price would decrease the purchase price by $46.24 million, both with a corresponding change to goodwill. The actual purchase price will fluctuate until the effective time and the final valuation could differ significantly from the current estimate.

Cash Consideration Calculation:	
Agreed Upon Price	$ 200,000,000
Less: Working Capital Adjustment	460,051
Net Cash Consideration:	$ 199,539,949

Stock Paid Calculation:	
Share Price as of 6/13/14	$ 14.75
Number of Shares	31,350,000
Net Balance from Stock Paid:	$ 462,412,500

Stock Paid Sensitivity:	
Share Price as of 6/13/14	$ 14.75
Share Price plus 10%	16.23
Number of Shares	31,350,000
Estimated Balance from Stock Paid assuming 10% Increase:	$ 508,810,500

Stock Paid Sensitivity:	
Share Price as of 6/13/14	$ 14.75

Share Price less 10%	13.28
Number of Shares	31,350,000

Estimated Balance from Stock Paid assuming 10% Decrease:	$ 416,328,000

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G. The acquisition of Vidara will be accounted for as a business combination under the acquisition method of accounting pursuant to ASC 805 Business Combinations. The pro forma adjustments reflect the preliminary estimate of (i) the fair value of the consideration transferred with respect to the Transactions and (ii) the preliminary estimate of the fair value of identifiable assets acquired and liabilities assumed. The assignment of the purchase price is preliminary. The final determination of the purchase price allocation will be based on the fair values of the assets acquired, including the fair values of the acquired intangible assets, and the liabilities assumed as of the acquisition date. As such, the following preliminary purchase price allocation is subject to adjustment and such adjustments may be material (in thousands):

Cash consideration paid	$ 199,540
Share consideration	462,413
Total Purchase Price to be allocated	**$ 661,953**
Estimated fair value of assets acquired:	
Assumed Liabilities	$ 46,542
Accounts Receivable	(11,097)
Inventory	(34,167)
Deferred Tax Assets	(22)
Prepaid Expenses	(308)
Depreciable fixed assets and other assets	(374)
Customer relationships	(9,900)
Deferred tax liabilities	6,271
Developed technology	(596,900)
Goodwill	**$ 61,998**

ASC 820 defines fair value, establishes the framework for measuring fair value for any asset acquired or liability assumed under U.S. GAAP, expands disclosures about fair-value measurements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined in ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date . The fair value of identifiable intangible assets (Developed Technology) is determined primarily using the income approach , which is a valuation technique that provides an estimate of the fair value of an asset based on market participant expectations of the cash flows an asset would generate over its remaining useful life. Some of the more significant assumptions inherent in the development of the identifiable intangible assets valuations, from the perspective of a market participant, include the estimated net cash flows for each year for each project or product (including net revenues, cost of sales, research and development costs, selling and marketing costs and working capital/asset contributory asset charges), the appropriate discount rate to select in order to measure the risk inherent in each future cash flow stream, the assessment of each asset s life cycle, competitive trends impacting the asset and each cash flow stream as well as other factors. No assurances can be given that the underlying assumptions used to prepare the discounted cash flow analysis will not change or the timely completion of each project to commercial success will occur. For these and other reasons, actual results may vary significantly from estimated results.

H.

Represents the estimated fair value adjustment to step-up inventory to fair value. This estimated step-up in inventory is preliminary and is subject to change based upon management s final determination of the fair values of finished goods inventories. Horizon will reflect the fair value of Vidara s inventory as the acquired inventory is sold, which for purposes of these unaudited pro forma combined financial statements is assumed to occur within the first year, after acquisition. As there is no continuing impact of the inventory step-up on Horizon s results, the increased value is not included in the unaudited pro forma combined statement of operations.

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I. Reflects deferred financing costs related to the $300 million debt acquired in order to finance the purchase price. Deferred financing costs include bank fees, financial advisory, legal, and other professional fees. These fees also include a ticking fee of 4% to be incurred from the commitment date through the closing date of the transaction and an upfront fee of 1% of the aggregate amount of loans actually borrowed under the Term Loan Facility. These costs are deferred and recognized over the term of the debt agreement using the straight-line method. The deferred financing costs related to the debt are $15.47 million.

J. Reflects the Horizon transaction costs expected to be incurred in excess of those already paid of $29.9 million. This includes a reduction to the accrued expense account of $3.3 million for accruals made historically for transaction costs which are now being reflected as paid as part of the pro forma adjustment. The offset of $26.6 million is reflected as a reduction of retained earnings.

K. At the closing of the acquisition, Horizon recorded a $31.5 million contingent liability for royalties potentially payable under previously agreed upon royalty and licensing agreements with 3rd parties. The initial fair value of this liability was determined using a discounted cash flow analysis incorporating the estimated future cash flows of royalty payments based on future sales. The liability will be periodically assessed based on events and circumstances related to the underlying milestones, and any change will be recorded in Horizon s consolidated statement of operations. The carrying amount of the liability may fluctuate significantly and actual amounts paid to both Genentech and Connectics may be materially different from the carrying value of the liability.

L. Represents the deferred tax impacts associated with the incremental differences in book and tax bases created from the preliminary application of acquisition accounting, primarily related to the estimated fair value adjustments for acquired inventory and customer relationships. Deferred taxes were established based on blended statutory tax rate of approximately 1% based on jurisdictions where these assets reside. This also includes an ASC 740 reserve associated with the transaction.

The effective tax rate of the combined company could be significantly different (either higher or lower) depending on post-acquisition activities, including repatriation decisions, cash needs and the geographical mix of income.

M. Due to the acquisition, Horizon is releasing a valuation allowance of $6.1 million from its deferred tax assets. Horizon will continue to monitor the need for valuation allowances.

N. On June 17, 2014, Horizon entered into a Credit Agreement for a $300 million Term Loan Facility with CitiBank N.A. Previously Horizon had entered into a commitment letter, referred to as the commitment letter with Deerfield Management Company, L.P. and certain funds managed by Deerfield where funds had been committed to provide up to $250.0 million of senior secured loans to finance the Merger. Horizon recorded a commitment fee of $5 million related to these senior loans. (Less prior amortization of $0.7 million). As a result of the execution of the Credit Agreement, Horizon will not exercise its right to extend the commitment letter with Deerfield and $4.3 million of unamortized commitment fees paid to Deerfield will be adjusted in the current period.

7. Vidara Pro Forma Adjustments Income Statement

A. Reflects the payment of Vidara transaction costs related to the Merger of $1.1 million in 2013 and $1.2 million in the first three months of 2014. This adjustment also reflects the payment of Horizon transaction costs related to the Acquisition of $4.0 million in the first three months of 2014, which includes, among other items noted below, the amortization of commitment fees paid in conjunction with the bridge loan as discussed in adjustment 6N above. Horizon did not incur any transaction costs in the calendar year ended December 31, 2013. The impact of transaction costs already incurred has not been reflected in the unaudited pro forma combined statement of earnings since these costs are expected to be nonrecurring in nature. These charges include financial advisory fees, legal, accounting, other professional fees directly related to the Transactions.

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B. Reflects the fair value of identifiable intangible assets and related amortization expense adjustments, as follows (in thousands):

	Fair value	Remaining useful life	Pro forma amortization expense (in 000 s) For the three months ended March 31, 2014	Pro forma amortization expense (in 000 s) For the twelve months ended December 31, 2013
Customer relationships	$ 9,900	10 years	$ 248	$ 990
Developed technology	596,900	15 years	9,948	39,793
Total	**$ 606,800**		**$ 10,196**	**$ 40,783**
Historical amortization Expense			(849)	(3,521)
Increase to pro forma amortization expense			**$ 9,347**	**$ 37,262**

C. This Pro Forma adjustment reflects the interest rate on new debt of $300.0 million which is at a rate equal to either the LIBOR rate, plus an applicable margin of 8.00% per annum (subject to a 1.00% LIBOR floor), or the prime lending rate, plus an applicable margin equal to 7.00% per annum. This adjustment also includes the amortization of deferred financing costs. Deferred financing costs include bank fees, ticking fees, financial advisory, legal, and other professional fees. These costs are deferred and recognized over the term of the debt agreement using the straight-line method. The annual and quarterly impact on interest expense related to the debt is $30.1 million and $7.5 million, respectively as noted by the Pro Forma adjustment.

a. Loans drawn under the facility will accrue interest at a rate equal to either the LIBOR rate, plus an applicable margin of 8.00% per annum (subject to a 1.00% LIBOR floor), or the prime lending rate, plus an applicable margin equal to 7.00% per annum., and mature in five years. The interest rate used for purposes of preparing the accompanying unaudited pro forma combined financial statements was 9%, which was derived by utilizing the 8.00% annum plus the 1.00% LIBOR rate, and may be considerably different than the actual interest rates incurred based on market conditions at the time of the refinancing. If the interest rate on the Company s new borrowings were to increase or decrease by 1/8 of a percent, the Company s annual pro forma net income would increase or decrease by $0.4 million.

D. The Pro Forma adjustment reflects the elimination of interest payments and amortization of deferred financing costs related to Vidara s long-term debt (current and long-term portions) and intercompany debt related to the Parent loan. Per the Merger Agreement, these balances will not transfer to the NewCo and will be retained by Vidara. The extinguishment of this debt is due to the change in control and as such a pro forma adjustment was made to remove this charge as it is directly related to the Transaction and is non-recurring. Giving effect to the adjusted historical debt of Vidara s long term debt and subordinated debt, with an interest rate of 7.50% and 12% respectively, the interest expense including amortization of the debt issuance costs for the year ended December 31, 2013 have been adjusted as noted below:

Description of Debt	For the year ended December 31, 2013 Interest Expense	For the year ended December 31, 2013 Amortization of Deferred Financing Costs	For the three months ended March 31, 2014 Interest Expense	For the three months ended March 31, 2014 Amortization of Deferred Financing Costs
Long Term Debt (Interest Rate: 7.5%)	$ 980,024	$ 736,514	$ 24,394	$ 460,898
Long Term Debt (Amortization Period: 5 Years)				
Subordinated Debt (Interest Rate: 12%)	793,525	34,066	198,771	8,657
Subordinated Debt (Amortization Period: 6 Years)				
Parent Company Loan	181,141		45,285	
Total Interest and Amortization Expense	**$ 1,954,690**	**$ 770,580**	**$ 268,450**	**$ 469,555**

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E. Represents the income tax benefit associated with the non-recurring charges removed from the pro forma statement of income, using a combined federal and state statutory tax rate of 0%. The tax effect of the transaction related costs in the transition period was a blended rate of 0% due to the non-deductibility of certain costs. The tax effect of the incremental amortization expense of Vidara s customer-related intangible assets and the amortization of the developed technology step up to estimated fair value was based on a blended statutory tax rate of approximately 1% based on jurisdictions where these assets reside. Horizon has assumed a 0% tax rate when estimating the tax impacts of the additional expense on incremental debt to finance the merger because the debt is an obligation of a U.S. entity and taxed at the estimated combined effective U.S. federal statutory and state rate, however, the entity has a full valuation allowance. Horizon has assumed a 1.5% tax rate expense when estimating the tax impacts on the intercompany debt obligation due Horizon Luxembourg from Horizon US. Horizon has assumed that any intercompany interest expense which is nondeductible under Code Section 163(j) would be a timing matter and would be deductible in future years based on future earnings.

F. Represents the removal of other income related to the re-measurement of an unfavorable supply contract recognized by Vidara subsequent to the ACTIMMUNE transaction. As part of the Merger, the supply contract acquired was recognized at fair value in accordance with ASC Topic 805, and was determined to be at market, resulting in no asset or liability recognition at March 31, 2014 and no income statement impact for the year ended December 31, 2013 and quarter ended March 31, 2014.

8. Legacy AZ Vimovo Pro Forma Adjustments Income Statement

A. The presentation of product revenues net of sales discounts as one sales figure is consistent with AstraZeneca LP s historical external reporting. Horizon has performed a review of VIMOVO accounting policies and has determined that there are no material differences in policies require adjustment or reclassification of VIMOVO s results of operations or assets/liabilities to conform to Horizon s policies/classifications.

B. Represents amortization of acquired VIMOVO intellectual property of $11.8 million calculated at $67.7 million of acquired intellectual property amortized straight line over the 61.5 month estimated useful life of the intellectual property life for approximately ten and one half months from January 1, 2013 through November 21, 2013, offset by $1.4 million of actual intellectual property amortization recorded by AstraZeneca. The amortization of VIMOVO intellectual property for the period November 22, 2013 through December 31, 2013 is already included in Horizon s 2013 results presented.

C. Represents ten and one half months of net interest expense totaling $15.0 million associated with the convertible debt issued November 22, 2013 and related amortization of debt discount and deferred financing expenses, offset by $11.0 million of interest, debt discount and deferred financing charges and a $26.4 million one-time, non-recurring expense related to the extinguishment loss associated with the senior secured loan extinguished on November 22, 2013.

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COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA

The following table sets forth selected historical per share information of Horizon and Vidara and unaudited pro forma combined and Vidara per share information as of and for the three months ended March 31, 2014 and as of and for the year ended December 31, 2013 after giving effect to the proposed acquisition (for accounting purposes) of Vidara by Horizon under the acquisition method of accounting, based on the total acquisition consideration (which for these purposes consists of the New Horizon ordinary shares to be held by Vidara Holdings, the historic Vidara shareholder, immediately following the completion of the Merger) of New Horizon ordinary shares with the estimated fair value of $444.5 million and representing approximately 24% of ordinary shares of New Horizon, on a fully diluted basis immediately following the closing of the Merger.

The pro forma shares assume that the Vidara Holdings, the sole historic Vidara shareholder, will hold 31,350,000 New Horizon ordinary shares immediately following the closing of the Merger. At the effective time of the Merger, all of the outstanding shares of common stock of Horizon will be converted on a one for one basis into ordinary shares of New Horizon. The acquisition method of accounting is based on Accounting Standards Codification Topic 805, *Business Combinations* (ASC 805) and uses the fair value concepts defined in ASC 820, *Fair Value Measurements and Disclosures*. The pro forma adjustments reflect the assets and liabilities of Vidara at their preliminary estimated fair values. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the unaudited pro forma combined per share information set forth in the following table.

In accordance with the requirements of the SEC, the unaudited pro forma combined and unaudited pro forma Vidara equivalent information gives effect to the Merger as if it had been effective on January 1, 2013 in the case of income per share data, and December 31, 2013 or March 31, 2014 in the case of book value per share data. You should read this information in conjunction with the selected historical financial information and the historical financial statements of Vidara and related notes included elsewhere in this proxy statement/prospectus, and the historical financial statements of Horizon and related notes that have been filed with the SEC, which are incorporated by reference in this proxy statement/prospectus. See *Selected Historical Financial Data of Vidara* , *Index to Combined Financial Statements of Vidara Therapeutics International Limited and Subsidiaries and Vidara Therapeutics Inc.* The unaudited pro forma combined per share information is derived from, and should be read in conjunction with, the unaudited pro forma combined financial statements and related notes included in this proxy statement/prospectus. See Unaudited Pro Forma Combined Financial Data . The historical per share information of Horizon and Vidara below is derived from audited financial statements as of and for the year ended December 31, 2013 and unaudited financial statements as of and for the three months ended March 31, 2014.

(in millions, except per share data)	Pro Forma Three Months Ended March 31, 2014	Pro Forma Year Ended December 31, 2013
Pro forma net loss	$ (210.6)	$ (172.7)
Basic and diluted weighted average shares outstanding of Horizon Pharma historical	67.1	63.7
New Horizon shares held by Vidara Holdings	31.3	31.3
	98.4	95.0

Pro forma New Horizon basic and diluted weighted average shares outstanding				
Pro forma New Horizon basic and diluted loss per share	$	(2.14)	$	(1.82)
Pro forma New Horizon book value per share[(1)]	$	2.12		N/A
Pro forma cash dividends declared per common share		N/A		N/A

(1) The book value per share is computed by dividing total stockholders equity by the number of shares of common stock and ordinary shares, as applicable, issued and outstanding.

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THE BUSINESS OF HORIZON

The information required by this item is incorporated by reference to Item 1 of the Horizon Annual Report on Form 10-K for the fiscal year ended December 31, 2013, filed with the SEC on March 13, 2014.

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THE BUSINESS OF VIDARA

The following discussion contains forward-looking statements. Actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ materially from those projected in the forward-looking statements include, but are not limited to, those discussed in Risk Factors and elsewhere in this proxy statement/prospectus. See also Cautionary Note Regarding Forward-Looking Statements.

Overview

Vidara is a biopharmaceutical company focused on the treatment of patients with serious, difficult-to-treat inherited disorders and rare diseases. Currently, Vidara s only commercial product and source of revenue is ACTIMMUNE® (interferon gamma-1b), an injectable biologic drug prescribed for the management of two rare disorders:

Chronic granulomatous disease (CGD): CGD is a life-threatening congenital disorder of leukocyte cell function caused by defects in the enzyme complex responsible for phagocyte superoxide generation. CGD causes patients, primarily children, to be vulnerable to severe, recurrent bacterial and fungal infections resulting in frequent and prolonged hospitalizations and commonly death.

Severe, malignant osteopetrosis (SMO): SMO is a life-threatening, congenital disorder that primarily affects children. This disease is caused by defects in one or more genes involved in the formation, development, and function of osteoclast cells and by deficient phagocyte oxidative metabolism. SMO results in increased susceptibility to infections and bone overgrowth that can lead to blindness and/or deafness.

ACTIMMUNE is the only drug currently approved by the U.S. Food and Drug Administration (FDA) for the treatment for CGD and SMO in the United States. In 1990, ACTIMMUNE was approved by the FDA for reducing the frequency and severity of serious infections associated with CGD. In 2000, ACTIMMUNE was approved by the FDA for delaying the time to disease progression of SMO. Based on its market research, Vidara estimates that there are currently between 900 and 1,600 CGD patients, and between 85 and 215 SMO patients living in the United States.

ACTIMMUNE is a patented proprietary biological drug, which contains recombinant interferon gamma-1b, a biologic response modifier. It is a single-chain polypeptide comprising 140 amino acids produced by the fermentation of genetically engineered *Escherichia coli* bacterium containing the DNA that encodes the human form of interferon gamma-1b protein.

Vidara acquired ACTIMMUNE from InterMune Inc. (InterMune) on June 19, 2012. Vidara s total net sales were $58.9 million for the year ended December 31, 2013, which was the first full calendar year for which it recorded sales of ACTIMMUNE. For the year ended December 31, 2012, Vidara recorded net sales of $30.3 million, representing its sales of ACTIMMUNE since June 19, 2012, the date it acquired ACTIMMUNE. These results compare with reported net sales for ACTIMMUNE by InterMune of $7.0 million for the period January 1, 2012 through June 18, 2012 and $20.2 million for the year ended December 31, 2011. Vidara s net income for the years ended December 31, 2013 and 2012, was $28.8 million and $16.4 million, respectively.

History of Vidara and Acquisition and Growth of ACTIMMUNE

Vidara was formed on December 20, 2011 as an Irish registered, private limited company resident and managed in Bermuda. On February 2, 2012, Vidara acquired AGI Therapeutics plc. (AGI), an Irish public limited company (since

renamed AGI Therapeutics Limited). AGI was focused on the development and commercialization of differentiated specialty drug products to treat unmet medical needs, including conditions which qualify for orphan drug status. Since its acquisition of AGI, Vidara has managed AGI s operations from its headquarters in Dublin, Ireland.

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ACTIMMUNE was originally developed by Genentech Inc. (Genentech), which subsequently licensed the commercial rights to ACTIMMUNE for the United States, Canada and Japan to InterMune. On June 19, 2012, Vidara acquired the ACTIMMUNE product line from InterMune along with related rights and licenses thereto, including InterMune s patents and know-how for interferon gamma-1b, InterMune s Biologics License Application (BLA) for ACTIMMUNE in the United States, and the licenses from Genentech to its patents, know-how and other intellectual property to use, sell and manufacture interferon gamma-1b in the United States, Canada and Japan, as well as the exclusive rights to Genentech s ACTIMMUNE trademark in the United States. The rights granted to interferon gamma-1b under the Genentech license agreement are for the treatment or prevention of any human disease or condition with the exception of any cardiac, cardiovascular or arthritic disease or condition. Subject to certain conditions and limitations in the Genentech license agreement, Vidara s license is exclusive, perpetual and irrevocable. In addition, Vidara was assigned all of InterMune s rights and obligations under its Development and Marketing Agreement with Boehringer Ingelheim International GmbH, which allows Vidara to register, import, distribute and sell interferon gamma-1b in certain markets in Latin America, Asia, Africa and Eastern Europe. Furthermore, Vidara was also assigned all of InterMune s rights and obligations under an assignment agreement with InterMune s parent company predecessor, Connetics Corporation (which is now part of GlaxoSmithkline, Connetics).

Vidara currently markets and distributes ACTIMMUNE only in the United States and it has not sought regulatory approval to market and sell ACTIMMUNE in any other markets. However, Vidara does supply ACTIMMUNE to patients in Canada, if so requested by way of a prescription from their treating physicians, through Health Canada s Special Access Program, which provides access to non-marketed drugs in Canada for practitioners treating patients with serious or life-threatening conditions when conventional therapies have failed, are unsuitable or are unavailable. Sales in Canada are not material. Vidara has otherwise not registered or sold ACTIMMUNE in any other territories for which it currently holds commercial rights.

Under the terms of the acquisition agreement, Vidara paid InterMune an initial purchase price of $55.0 million at closing, with a further obligation to pay InterMune up to $2.0 million in royalties on Vidara s net sales for each of the two twelve month periods following the closing of the transaction, bringing the total purchase price to a potential $59.0 million, of which $58.0 million had been paid as of March 31, 2014 and the remaining $1.0 million is expected to be paid in full by the closing of the Merger.

Under the terms of the license agreement with Genentech, Vidara has paid and will continue to pay royalties to Genentech on its net sales of ACTIMMUNE as follows:

- For the period through November 25, 2014, Vidara pays a royalty of 45% of the first $3.7 million in net sales achieved in a calendar year, and 10% on all additional net sales in that year;

- For the period from November 25, 2014 through May 5, 2018, the royalty payments are reduced to a 20-30% range for the first tier in net sales and in the 1-9% range for the second tier; and

- From May 5, 2018 and for so long as Vidara continues to commercially sell ACTIMMUNE, Vidara will pay an annual royalty ranging in the low single digits as a percentage of net sales.

Either Vidara or Genentech may terminate the agreement if the other party becomes bankrupt or defaults, however, in the case of a default, the defaulting party has 30 days to cure the default before the license agreement may be terminated.

Under the terms of the Connetics agreement, Vidara has paid and will continue to pay royalties to Connetics on Vidara s net sales of ACTIMMUNE as follows:

One-quarter of one percent (0.25%) of net sales of ACTIMMUNE, rising to one-half of one percent (0.5%) once cumulative net sales of ACTIMMUNE in the United States surpass $1.0 billion; and

in the event Vidara develops and receives approval for ACTIMMUNE in the indication of scleroderma, it will pay a royalty of 4% on all net sales of ACTIMMUNE recorded for use in that indication.

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Vidara also has rights under a Development and Marketing Agreement with Boehringer Ingelheim International GmbH that would require Vidara to pay royalties on net sales in certain applicable markets in Latin America, Asia, Africa and Eastern Europe if Vidara elects to commercialize ACTIMMUNE in those territories. To date, Vidara has not pursued regulatory or other approvals or commercialized ACTIMMUNE in those territories.

Sales and Marketing

Vidara estimates, based on its market research, that the indications of CGD and SMO combined represent a total patient population in the United States of approximately 1,800. Due to the rare and serious nature of these diseases, patients are more typically treated by specialist physicians based in larger urban teaching hospitals and research centers. As a result, Vidara has established a specialty sales force that focuses on marketing to a limited number of healthcare practitioners who specialize in fields such as pediatric immunology, allergy, infectious diseases and hematology/oncology to help them understand the potential benefits of ACTIMMUNE for their patients with CGD and SMO. Vidara s sales team is comprised of six clinical science associates, supported by a National Sales Director, a Vice President of Sales & Marketing, a Director of Sales Operations and a Sales Operations Analyst. In addition, two medical sciences liaisons provide additional education and information to healthcare practitioners to further their understanding of ACTIMMUNE. Vidara also employs third party vendors, such as advertising agencies, market research firms and suppliers of marketing and other sales support related services to assist with commercial activities.

Customers and Distribution

ACTIMMUNE is a low-volume, specialty pharmaceutical product. Typically, patients obtain ACTIMMUNE directly from specialty pharmacies after receiving a prescription and after arranging for third party reimbursement (government or commercial insurance) most often after satisfying a prior authorization requirement imposed by their insurance carrier or a third-party administrator for a government healthcare program. Alternatively, eligible patients who are uninsured or under-insured may receive ACTIMMUNE through a Vidara-sponsored patient assistance program. Vidara does not generate any revenue or net sales from the vials provided through its sponsored patient assistance programs.

While the ultimate end-users of ACTIMMUNE are the individual patients to whom it is prescribed by physicians, in the United States Vidara sells ACTIMMUNE directly to a limited number of specialty distributors and pharmacy companies, including Accredo Health Group Inc., CuraScript Specialty Distribution, Walgreens, Caremark LLC and McKesson Corporation. Vidara has standard agreements with these customers, which include discounts from its list price and various other rebate arrangements. Cardinal Health 105 Inc. (Cardinal Health) is Vidara s exclusive third party logistics provider in the United States, provides warehousing, storage, processing of orders from Vidara s specialty distributors and shipping of product to its specialty distributors in the United States. Under the terms of its agreement with Cardinal Health, Vidara pays Cardinal Health fixed monthly service fees along with variable fees that are tied to the amount of product processed by Cardinal Health on behalf of Vidara. The initial term of the agreement with Cardinal Health expires on September 4, 2015 and automatically renews for consecutive one year terms unless one party provides the other with 180 days prior written notice of termination. Additionally, prior to the end of the initial term, each party has the right to terminate the agreement by giving the other party 180 days written notice, provided that if the agreement is terminated by Vidara without cause or by Cardinal Health with cause, Vidara is required to pay Cardinal Health a termination fee. Each party also has the right to terminate the agreement if the other party materially breaches any of the provisions of the agreement, however the breaching party has 30 days to cure such breach before the agreement may be terminated. Vidara also uses a third party logistics provider, Almac Group Limited, in Northern Ireland to warehouse and store ACTIMMUNE following manufacture, and to ship product to the United States as Vidara deems necessary for effective management of inventory and commercial supply. Vidara also supplies ACTIMMUNE to patients in Canada, if so requested by way of a prescription from their treating physicians,

through Health Canada s Special Access Program, which provides access to non-marketed drugs in

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Canada for practitioners treating patients with serious or life-threatening conditions when conventional therapies have failed, are unsuitable or are unavailable.

Competition

The pharmaceutical and biotechnology industries are intensely competitive and subject to rapid and significant technological change. Competition is based to a significant degree on technological and scientific factors, including the availability of patent and other protection of products, product candidates, processes and other technologies, the ability to develop and commercialize products, the ability to obtain governmental approval for testing, manufacturing and marketing of products, and the ability to enter into licensing and similar arrangements to facilitate the development, marketing and distribution of products and meet other business objectives.

There are currently no products and treatments on the market that compete directly with ACTIMMUNE, although there are additional or alternative approaches used to treat patients with CGD and SMO. The current clinical standard of care to treat CGD patients in the United States is the use of concomitant triple prophylactic therapy comprising ACTIMMUNE, an oral antibiotic agent and an oral antifungal agent, however physicians may choose to use one or both of the other modalities in the absence of ACTIMMUNE. Because of the more immediate and life-threatening nature of SMO, the current goal of treatment is often to have the patient undergo a bone marrow transplant which, if successful, will likely obviate the need for further use of ACTIMMUNE in that patient. Vidara is aware of a number of research programs investigating the potential of gene therapy as a possible cure for CGD. Additionally, other companies may be pursuing the development of pharmaceuticals and products that target the same diseases and conditions which ACTIMMUNE is currently approved to treat or which Vidara may seek to add to the label of approved indications for ACTIMMUNE.

Many of Vidara s competitors are larger than it is and have substantially greater financial, marketing and technical resources than Vidara has. Other smaller companies may also prove to be significant competitors, sometimes through collaborative arrangements with large and established companies. If any of Vidara s present or future competitors develop new products that are superior to ACTIMMUNE, Vidara s financial performance may be materially and adversely affected.

Manufacturing

ACTIMMUNE, interferon gamma-1b, is a recombinant protein that is produced by fermentation of a genetically engineered *Escherichia coli* bacterium containing the DNA which encodes for the human protein. Purification of the active drug substance is achieved by conventional column chromatography. The resulting active drug substance is then formulated as a highly purified sterile solution and filled in a single-use vial for subcutaneous injection, which is the ACTIMMUNE finished drug product. In support of its manufacturing process, Vidara and Boehringer Ingelheim store multiple vials of the *Escherichia coli* bacterium master cell bank and working cell bank in order to ensure that it will have adequate backup should any cell bank be lost in a catastrophic event.

Vidara has an exclusive supply agreement with Boehringer Ingelheim RCV GmbH & Co KG (Boehringer Ingelheim) to manufacture the active drug substance and commercial quantities of ACTIMMUNE finished drug product. Boehringer Ingelheim manufactures the active drug substance at its production facility in Vienna, Austria, and the finished drug product at its facility in Biberach am Riss, Germany. Boehringer Ingelheim also provides Vidara with quality assurance testing for ACTIMMUNE. Boehringer Ingelheim is Vidara s sole source supplier for ACTIMMUNE active drug substance and finished drug product. The processes used to manufacture and test ACTIMMUNE are complex and subject to FDA inspection and approval. The ACTIMMUNE active drug substance has a shelf life of 36 months from the date of manufacture and the ACTIMMUNE finished drug product has a shelf life of 36 months from

the date of filling of the single-use vial.

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Boehringer Ingelheim had historically manufactured ACTIMMUNE under a supply agreement with InterMune, which agreement was assigned to Vidara in its transaction to acquire ACTIMMUNE from InterMune in June 2012. During the year ended December 31, 2013, Vidara entered into a new exclusive supply agreement with Boehringer Ingelheim which has a term that runs until July 31, 2020 and which can be further renewed by agreement between the parties. Under the terms of this agreement, Vidara is required to purchase minimum quantities of finished drug product of 75,000 vials per annum. Boehringer Ingelheim manufactures Vidara s commercial requirements of ACTIMMUNE on an annual basis, and based on Vidara s forecasts and the annual contractual minimum purchase quantity. Boehringer Ingelheim also manufactures interferon gamma-1b for commercial sale by its own commercial organization for use in those markets and territories for which it holds a license from Genentech, where it sells the product under its trademarks Imukin® and Imukine®.

Vidara s dependence upon Boehringer Ingelheim, as the sole manufacturer of ACTIMMUNE subjects Vidara to the risk that Boehringer Ingelheim may not be able to continue to meet Vidara s requirements for quality, quantity and timeliness, or may not be able to meet all of the FDA s current good manufacturing practice (cGMP) requirements. While Vidara does not have substitute suppliers for ACTIMMUNE active drug substance or finished drug product, it strives to plan appropriately and maintain safety stocks of product to cover unforeseen events at manufacturing sites.

Research and Development

Vidara s research and development for ACTIMMUNE is focused on: (i) the development and evaluation of new and improved dosage forms and delivery systems to provide enhanced patient convenience in the use of ACTIMMUNE for its FDA-approved indications; (ii) the investigation of other potential uses of ACTIMMUNE for indications not currently approved by the FDA and (iii) the expansion of its understanding of how ACTIMMUNE works in the human body, as the exact mechanism by which ACTIMMUNE treats CGD and SMO is currently unknown. Vidara directs research and development from its headquarters based in Dublin, Ireland by establishing agreements and contracts with third party providers and academic institutions.

Vidara has recently completed a flu-like symptoms (FLS) Phase I study in healthy human volunteers to evaluate the effect of a two-week titration regimen of ACTIMMUNE during the initial three weeks of therapy on the severity of FLS, a common side-effect associated with initiation of ACTIMMUNE therapy in patients.

Vidara is currently conducting a number of development programs to assess new and improved dosage forms and delivery systems for ACTIMMUNE.

Vidara also provides educational grants to support independent academic research such as investigator initiated studies.

During the years ended December 31, 2013 and 2012, Vidara spent $4.3 million and $0.7 million, respectively, on research and development activities.

The expenditures that will be necessary to execute Vidara s development plans are subject to numerous uncertainties, which may affect its research and development expenditures and capital resources. For instance, in the event Vidara was to undertake further clinical trials, the duration and the cost of these clinical trials may vary significantly depending on a variety of factors including a trial s protocol, the number of patients in the trial, the duration of patient follow-up, the number of clinical sites in the trial, and the length of time required to enroll suitable patients or subjects. Even if earlier results are positive, Vidara may obtain different results in later stages of development, including failure to show the desired safety or efficacy, which could impact its development expenditures for a particular indication, affect FDA approval of the indication in the label, and/or affect its sales of ACTIMMUNE for

existing commercialized indications. Although Vidara spends a considerable amount of time planning its development activities, Vidara may be required to deviate from its plan based on new circumstances or events or its assessment from time to time of a particular indication s market potential, other

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product opportunities and its corporate priorities. Any deviation from its plan may require Vidara to incur higher or lower levels of expenditures or accelerate or delay the timing of its development spending. Furthermore, as it obtains results from trials and reviews the path toward regulatory approval, Vidara may elect to discontinue development of certain indications or product candidates, in order to focus its resources on more promising indications or candidates. As a result, Vidara is unable to reliably estimate the amount or range of the cost and timing to complete its product development programs and each future product development program.

Vidara has plans to assess other potential indications and studies of ACTIMMUNE, and pending the outcome of the assessment may choose to fund some of such studies.

Government Regulation

FDA Approval Process

In the United States, pharmaceutical products are subject to extensive regulation by the FDA. The Federal Food, Drug, and Cosmetic Act (the FDC Act) and other federal and state statutes and regulations, govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, sampling, and import and export of pharmaceutical products. Biological products used for the prevention, treatment, or cure of a disease or condition of a human being are subject to regulation under the FDC Act, except the section of the FDC Act which governs the approval of new drug applications (NDAs). Biological products are approved for marketing under provisions of the Public Health Service Act (PHSA) via a Biologics License Application (BLA). However, the application process and requirements for approval of BLAs are very similar to those for NDAs, and biologics are associated with similar approval risks as drugs. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as FDA refusal to approve pending NDAs or BLAs, warning or untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties, and criminal prosecution.

Pharmaceutical product development for a new product or certain changes to an approved product in the United States typically involves preclinical laboratory and animal tests, the submission to the FDA of an investigational new drug application (IND), which must become effective before clinical testing may commence, and adequate and well-controlled clinical trials to establish the safety and effectiveness of the drug for each indication for which FDA approval is sought. Satisfaction of FDA pre-market approval requirements typically takes many years and the actual time required may vary substantially based upon the type, complexity, and novelty of the product or disease.

A 30-day waiting period after the submission of each IND is required prior to the commencement of clinical testing in humans. If the FDA has neither commented on nor questioned the IND within this 30-day period, the clinical trial proposed in the IND may begin.

Clinical trials involve the administration of the investigational new drug or biologic to healthy volunteers or patients under the supervision of a qualified investigator. Clinical trials must be conducted: (i) in compliance with federal regulations; (ii) in compliance with good clinical practice (GCP), an international standard meant to protect the rights and health of human subjects and to define the roles of clinical trial sponsors, administrators, and monitors; as well as (iii) under protocols detailing the objectives of the trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. Each protocol involving testing on human subjects and subsequent protocol amendments must be submitted to the FDA as part of the IND.

The FDA may order the temporary, or permanent, discontinuation of a clinical trial at any time, or impose other sanctions, if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial subjects. The study protocol and informed consent information for subjects in clinical trials must also be submitted to an institutional review board (IRB)

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for approval. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB s requirements, or may impose other conditions.

After completion of the required clinical testing, an NDA or BLA is prepared and submitted to the FDA. FDA approval of the NDA or BLA is required before marketing of the product may begin in the United States. The NDA or BLA must include the results of all preclinical, clinical, and other testing and a compilation of data relating to the product s pharmacology, chemistry, manufacture, and controls. The cost of preparing and submitting an NDA or BLA is substantial. The submission of most NDAs and BLAs is additionally subject to a substantial application user fee, currently exceeding $2,169,000, and the manufacturer and/or sponsor under an approved new drug application are also subject to annual product and establishment user fees, currently exceeding $104,000 per product and $554,000 per establishment. These fees are typically increased annually.

The FDA has agreed to certain performance goals in the review of NDAs and BLAs. Most such applications for standard review drug or biologic products are reviewed within ten to twelve months; most applications for priority review drugs or biologics are reviewed in six to eight months. Priority review can be applied to drugs or biologics that the FDA determines offer major advances in treatment, or provide a treatment where no adequate therapy exists. For biologics, priority review is further limited only to products intended to treat a serious or life-threatening disease relative to the currently approved products. The review process for both standard and priority review may be extended by the FDA for three additional months to consider certain late-submitted information, or information intended to clarify information already provided in the submission.

Before approving an NDA or BLA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP. Additionally, the FDA will inspect the facility or the facilities at which the drug is manufactured. FDA will not approve the product unless compliance with cGMP is satisfactory and the NDA or BLA contains data that provide evidence that the drug or biologic is safe and effective in the indication studied.

After the FDA evaluates the NDA or BLA and the manufacturing facilities, it issues either an approval letter or a complete response letter. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing, or information, in order for the FDA to reconsider the application. If, or when, those deficiencies have been addressed to the FDA s satisfaction in a resubmission of the NDA or BLA, the FDA will issue an approval letter. The FDA has committed to reviewing such resubmissions in two or six months depending on the type of information included.

An approval letter authorizes commercial marketing of the drug or biologic with specific prescribing information for specific indications. Product approval may require substantial post-approval testing and surveillance to monitor the product s safety or efficacy. Once granted, product approvals may be withdrawn if compliance with regulatory standards is not maintained or problems are identified following initial marketing.

Changes to some of the conditions established in an approved application, including changes in indications, labeling, or manufacturing processes or facilities, require submission and FDA approval of a new NDA or BLA or NDA or BLA supplement before the change can be implemented. An NDA or BLA supplement for a new indication typically requires clinical data similar to that in the original application, and the FDA uses the same procedures and actions in reviewing NDA or BLA supplements as it does in reviewing NDAs or BLAs.

Post-Approval Requirements

Once an NDA or BLA is approved, a product such as ACTIMMUNE will be subject to certain post-approval requirements. For instance, the FDA closely regulates the post-approval marketing and promotion of drugs and

biologics, including standards and regulations for direct-to-consumer advertising, off-label promotion, industry-sponsored scientific and educational activities and promotional activities involving the internet. Drugs and biologics may be marketed only for the approved indications and in accordance with the provisions of the approved labeling.

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Adverse event reporting and submission of periodic reports is required following FDA approval of an NDA or BLA. The FDA also may require post-marketing testing, known as Phase 4 testing, a risk evaluation and mitigation strategy (REMS) and surveillance to monitor the effects of an approved product, or the FDA may place conditions on an approval that could restrict the distribution or use of the product. The FDA is not currently imposing any Phase 4 testing requirements or other restrictions on the distribution of ACTIMMUNE. In addition, quality control, drug manufacture, packaging, and labeling procedures must continue to conform to cGMPs after approval. Drug and biologic manufacturers and certain of their subcontractors are required to register their establishments with the FDA and certain state agencies. Registration with the FDA subjects entities to periodic unannounced inspections by the FDA, during which the agency inspects manufacturing facilities to assess compliance with cGMPs. Accordingly, manufacturers must continue to expend time, money, and effort in the areas of production and quality-control to maintain compliance with cGMPs. Regulatory authorities may withdraw product approvals or request product recalls if a company fails to comply with regulatory standards, if it encounters problems following initial marketing, or if previously unrecognized problems are subsequently discovered.

Orphan Drugs

Under the Orphan Drug Act, the FDA may grant orphan drug designation to drugs or biologics intended to treat a rare disease or condition generally a disease or condition that affects fewer than 200,000 individuals in the United States. Orphan drug designation must be requested before submitting an NDA or BLA. After the FDA grants orphan drug designation, the generic identity of the drug or biologic and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process. The first NDA or BLA applicant to receive FDA approval for a particular active ingredient to treat a particular disease with FDA orphan drug designation is entitled to a seven-year exclusive marketing period in the United States for that product, for that indication. During the seven-year exclusivity period, the FDA may not approve any other applications to market the same drug or biologic for the same disease, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. Orphan drug exclusivity does not prevent the FDA from approving a different drug or biologic for the same disease or condition, or the same drug or biologic for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the NDA or BLA application user fee. There is no unexpired orphan drug market exclusivity for ACTIMMUNE. In the event ACTIMMUNE is developed and approved for other rare diseases or conditions in the future, it may be eligible for orphan designation and market exclusivity for such diseases or conditions.

Pediatric Information

Under the Pediatric Research Equity Act (PREA), NDAs or BLAs or supplements to NDAs or BLAs must contain data to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the drug is safe and effective. The FDA may grant full or partial waivers, or deferrals, for submission of data. Unless otherwise required by regulation, PREA does not apply to any drug for an indication for which orphan designation has been granted.

Additional Controls for Biologics

To help reduce the increased risk of the introduction of adventitious agents, the PHSA emphasizes the importance of manufacturing controls for products whose attributes cannot be precisely defined. The PHSA also provides authority to the FDA to immediately suspend licenses in situations where there exists a danger to public health, to prepare or procure products in the event of shortages and critical public health needs, and to authorize the creation and

enforcement of regulations to prevent the introduction or spread of communicable diseases in the United States and between states.

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After a BLA is approved, the product may also be subject to official lot release as a condition of approval. As part of the manufacturing process, the manufacturer is required to perform certain tests on each lot of the product before it is released for distribution. If the product is subject to official release by the FDA, the manufacturer submits samples of each lot of product to the FDA together with a release protocol showing a summary of the history of manufacture of the lot and the results of all of the manufacturer s tests performed on the lot. ACTIMMUNE is not subject to such official release by the FDA. The FDA may also perform certain confirmatory tests on lots of some products, such as viral vaccines, before releasing the lots for distribution by the manufacturer. In addition, the FDA conducts laboratory research related to the regulatory standards on the safety, purity, potency, and effectiveness of biological products. As with drugs, after approval of biologics, manufacturers must address any safety issues that arise, are subject to recalls or a halt in manufacturing, and are subject to periodic inspection after approval.

Biosimilars

The Biologics Price Competition and Innovation Act of 2009 (BPCIA) creates an abbreviated approval pathway for biological products shown to be highly similar to or interchangeable with an FDA-licensed reference biological product. Biosimilarity sufficient to reference a prior FDA-approved product requires that there be no differences in conditions of use, route of administration, dosage form, and strength, and no clinically meaningful differences between the biological product and the reference product in terms of safety, purity, and potency. Biosimilarity must be shown through analytical studies, animal studies, and at least one clinical study, absent a waiver by the Secretary. A biosimilar product may be deemed interchangeable with a prior approved product if it meets the higher hurdle of demonstrating that it can be expected to produce the same clinical results as the reference product and, for products administered multiple times, the biologic and the reference biologic may be switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. To date, no biosimilar or interchangeable products have been approved under the BPCIA. Complexities associated with the larger, and often more complex, structures of biological products, as well as the process by which such products are manufactured, pose significant hurdles to implementation which are still being evaluated by the FDA.

A reference biologic is granted twelve years of exclusivity from the time of first licensure of the reference product, and no application for a biosimilar can be submitted for four years from the date of licensure of the reference product. ACTIMMUNE s period of biologics exclusivity has expired. The first biologic product submitted under the abbreviated approval pathway that is determined to be interchangeable with the reference product has exclusivity against a finding of interchangeability for other biologics for the same condition of use for the lesser of (i) one year after first commercial marketing of the first interchangeable biosimilar, (ii) eighteen months after the first interchangeable biosimilar is approved if there is no patent challenge, (iii) eighteen months after resolution of a lawsuit over the patents of the reference biologic in favor of the first interchangeable biosimilar applicant, or (iv) 42 months after the first interchangeable biosimilar s application has been approved if a patent lawsuit is ongoing within the 42-month period.

Disclosure of Clinical Trial Information

Sponsors of clinical trials of FDA-regulated products, including drugs, are required to register and disclose certain clinical trial information. Information related to the product, patient population, phase of investigation, study sites and investigators, and other aspects of the clinical trial is then made public as part of the registration. Sponsors are also obligated to discuss the results of their clinical trials after completion. Disclosure of the results of these trials can be delayed until the new product or new indication being studied has been approved. Competitors may use this publicly available information to gain knowledge regarding the progress of development programs.

Reimbursement

Sales of ACTIMMUNE depend in significant part on the coverage and reimbursement policies of third party payers, including government payers such as Medicare and Medicaid, and private health insurers. Through its

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COMPASS (Comprehensive Personalized Patient Prescription Advocacy & Support Services) Program, Vidara provides administrative support to patients to assist them in dealing with their insurance companies. All third party payers are sensitive to the cost of drugs, have taken efforts to control those costs, and presumably will continue to do so in the future. ACTIMMUNE will likely continue to be subject to payer-driven restrictions.

Compliance

Vidara has an active compliance program led by its Chief Compliance Officer who reports directly to the President of Vidara and to its Board of Directors. Vidara s compliance program is based on the Office of Inspector General s guidance relating to the following elements of an effective compliance program: (i) written policies and procedures, (ii) compliance officer and compliance committee, (iii) effective training, (iv) effective lines of communication, (v) monitoring and auditing, (vi) enforcement and disciplinary guidelines and (vii) corrective action processes.

Patents and Proprietary Rights

Vidara actively seeks to patent, or to obtain licenses to or to acquire third party patents, to protect its products, inventions and improvements that it considers important to the development of its business. Vidara owns a portfolio of U.S. and Canadian patents and patent applications and has licensed rights to U.S. issued patents and patent applications for ACTIMMUNE. Patents extend for varying periods according to the date of the patent filing or grant and the legal term of patents in the various countries where patent protection is obtained. The actual protection afforded by a patent, which can vary from country to country, depends on the type of patent, the scope of its coverage and the availability of legal remedies in the country. The patents and patent applications that are owned by Vidara and relate to ACTIMMUNE include the two granted patents in the United States, U.S. Patent No. RE39,821 (formerly U.S. Patent No. 6,936,694) and U.S. Patent No. 6,936,695, and one patent in Canada, CA Patent No. 1,341,561. U.S. Patent Nos. 6,936,695 and RE39,821 together cover the composition and manufacture of ACTIMMUNE (interferon gamma-1b) in the United States. These U.S. patents were issued in 2005 and expire in 2022. Canadian Patent No. 1,341,561 also covers the manufacture, use and sale of ACTIMMUNE in Canada. This Canadian patent was issued in 2007 and expires in 2024. Vidara also has an exclusive license from Genentech to U.S. Patent No. 5,690,925 which covers the composition of ACTIMMUNE and which expires on November 25, 2014. In addition to its patents for ACTIMMUNE, Vidara has been granted under its agreement with Genentech rights to Genentech s manufacturing technology and know-how for ACTIMMUNE. In addition to Vidara s patents and know-how rights for ACTIMMUNE, Vidara s success depends partially upon its ability to maintain confidentiality and operate without infringing upon the proprietary rights of third parties, and it also relies on a combination of copyright, trademark and trade secret laws, confidentiality procedures, and contractual agreements to protect its intellectual property.

Vidara s efforts to protect its intellectual property may not be adequate. Vidara s competitors may independently develop similar technology or duplicate its products or services. Unauthorized parties may infringe upon or misappropriate Vidara s products, services, trade secrets or other proprietary information. In addition, the laws of some foreign countries do not protect intellectual property rights as well as the laws of the United States. In the future, litigation may be necessary to enforce Vidara s intellectual property rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time consuming, costly and face an uncertain outcome.

Vidara could be subject to intellectual property infringement claims in the event it expands its position in its currently targeted therapeutic areas and enters new therapeutic areas. Defending against these claims, even if the claims are without merit, could be expensive and may divert Vidara s attention from its operations. If Vidara becomes liable to third parties for infringing upon their intellectual property rights, Vidara could be required to pay substantial damage awards and be forced to develop non-infringing technology, obtain a license or cease using the applications that contain the infringing technology or content. Vidara may be unable to develop non-infringing technology or content or

obtain a license on commercially reasonable terms, or at all.

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Employees

As of March 31, 2014, Vidara had 24 full-time employees, 10 of whom were engaged in sales and marketing activities. Vidara s continued success will depend in large part on its ability to attract and retain employees. Vidara believes that its relationship with its employees is good. None of Vidara s employees is represented by a collective bargaining agreement, nor has Vidara experienced any work stoppages.

Properties

The following table lists the location, interest, and use of Vidara s principal offices:

Location	Interest	Square Footage	Term	Use
Roswell, GA, USA	Leasehold	6,210 sq ft.	5 years, 7 months	Offices
Dublin, Ireland	Leasehold	600 sq ft.	One year	Offices

Legal Proceedings

From time to time, Vidara may be party to litigation that arises in the ordinary course of its business. Vidara does not have any pending litigation that, separately or in the aggregate, would, in the opinion of management, have a material adverse effect on Vidara s results of operations, financial condition or cash flows.

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MANAGEMENT AND OTHER INFORMATION OF NEW HORIZON

Directors of New Horizon

Pursuant to the Merger Agreement, effective as of the effective time, the directors of New Horizon will be the directors of Horizon as of immediately prior to the effective time (unless otherwise directed by Horizon), plus one additional director to be designated by Vidara, which individual will be Dr. Nohria, the Vidara Group s President and Chief Medical Officer, or another individual designated by Vidara Holdings and reasonably acceptable to Horizon. As of the date of this proxy statement/prospectus, it is expected that each current director of Horizon, other than Jeffrey W. Bird, M.D., Ph.D., will become a director of New Horizon effective as of the effective time. As of the date of this proxy statement/prospectus, a final determination as to who will be appointed to the New Horizon board of directors has not been made and the requisite corporate action to appoint the persons who will serve as directors of New Horizon following the completion of the Merger has not been effected; accordingly, the persons who will serve as directors of New Horizon following the completion of the Merger may differ from the persons currently expected to serve in such capacity. For example, a person currently expected to serve as a New Horizon director following the completion of the Merger may determine, prior to the closing of the Merger, not to serve in such capacity (or may be unable to so serve), in which case, Horizon or Vidara, as applicable, may designate a substitute person to serve in such capacity.

Under New Horizon s memorandum and articles of association, the directors of New Horizon will be divided into three classes, designated Class I, Class II and Class III, with each class consisting, as nearly as may be possible, of one-third of the total number of directors constituting the entire New Horizon board of directors. The initial division of the directors into the three classes will be made by a decision of the affirmative vote of a majority of the directors then in office. As of the date of this proxy statement/prospectus, a final determination as to the directors who will be appointed to each of the three classes has not been made and the requisite corporate action to effect that initial division has not been effected. It is expected that the election of directors to the Horizon board of directors will occur at the Special Meeting at which the proposal to approve the Merger is also considered. Assuming that the Merger is consummated in a timely manner, it is expected that New Horizon will hold an annual general meeting in 2015, at which meeting the term of the initial Class I directors would terminate, with the terms of the initial Class II directors and the initial Class III directors terminating on the dates of the 2016 annual general meeting and the 2017 annual general meeting, respectively. At each annual general meeting beginning in 2015, successors to the class of directors whose term expires at that annual general meeting will be elected for a three-year term. This classification of the New Horizon board of directors may have the effect of delaying or preventing changes in the control or management of New Horizon.

The following includes a brief biography of each person who is expected to be a director of New Horizon following the completion of the Merger, including their respective ages as of June 24, 2014:

Timothy P. Walbert. Mr. Walbert, 47, has served as Horizon s chairman of the board of directors and Horizon s President and Chief Executive Officer since its inception in March 2010. Mr. Walbert has also served as the president and chief executive officer of Horizon Pharma USA since June 2008 and on its board of directors since July 2008. From May 2007 to June 2009, Mr. Walbert served as president, chief executive officer and director of IDM Pharma, Inc. (IDM), a biopharmaceutical company which was acquired by Takeda America Holdings, Inc. (Takeda) in June 2009. From January 2006 to May 2007, Mr. Walbert served as executive vice president, commercial operations of NeoPharm, Inc., a biopharmaceutical company. From June 2001 to August 2005, Mr. Walbert served as divisional vice president and general manager, Immunology, where he led the global development and launch of HUMIRA, which exceeded $11.0 billion in 2013 sales and divisional vice president, global cardiovascular strategy at Abbott, a broad-based healthcare company, now AbbVie. From April 1998 to June 2001, Mr. Walbert served as director,

Celebrex North America and arthritis team leader, Asia Pacific, Latin America and Canada at G.D. Searle & Company (G.D. Searle), a pharmaceutical company. From 1991 to 1998, Mr. Walbert also held sales and marketing roles with increasing responsibility at G.D. Searle, Merck & Co., Inc. (Merck) and Wyeth. Mr. Walbert received his B.A. in business from Muhlenberg College, in

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Allentown, Pennsylvania. Mr. Walbert also serves on the boards of directors of XOMA Corp. (NASDAQ: XOMA), Raptor Pharmaceutical Corp. (NASDAQ: RPTP), Egalet Corporation (NASDAQ: EGLT), the Biotechnology Industry Organization (BIO), the Illinois Biotechnology Industry Organization (iBIO), ChicagoNEXT, a World Business Chicago (WBC) led council of technology leaders and the Greater Chicago Arthritis Foundation. In 2013, Mr. Walbert was appointed by Illinois Governor Pat Quinn to the Illinois Innovation Council.

Michael Grey. Mr. Grey, 61, has served on the board of directors of Horizon since September 2011 and as lead independent director of Horizon since August 2012. Mr. Grey currently serves as president and chief executive officer at Lumena Pharmaceuticals, Inc. and is a venture partner at Pappas Ventures. Mr. Grey holds over 30 years of experience in the pharmaceutical and biotechnology industries, and has held senior positions at a number of companies, including president and chief executive officer of SGX Pharmaceuticals, Inc. (sold to Lilly in 2008), president and chief executive officer of Trega Biosciences, Inc. (sold to Lion Bioscience in 2001) and president of BioChem Therapeutic Inc. For approximately 20 years, Mr. Grey served in various roles with Glaxo, Inc. and Glaxo Holdings, P.L.C., culminating in his position as vice president, corporate development and director of international licensing. Mr. Grey also serves on the boards of directors of BioMarin Pharmaceutical Inc. and Selventa, Inc. Mr. Grey received a B.S. in chemistry from the University of Nottingham in the United Kingdom.

Jeff Himawan, Ph.D. Dr. Himawan, 49, has served on the board of directors of Horizon since Horizon s inception in March 2010 and has served on the board of directors of Horizon Pharma USA since July 2007. In 1999, Dr. Himawan joined Essex Woodlands Health Ventures, L.P., a venture capital firm, where he now serves as a managing director. Dr. Himawan also currently serves on the boards of directors of Catalyst Biosciences, Inc., MediciNova, Inc., Light Sciences Oncology, Inc., and Symphogen, Inc. Dr. Himawan previously served on the board of directors of Iomai Corporation from 2001 to 2007, when it was acquired by Intercell AG. Dr. Himawan co-founded Seed-One Ventures, a venture capital firm, where from 1996 to 2001 he served as a managing director. Dr. Himawan received his B.S. in biology from the Massachusetts Institute of Technology and his doctorate in biological chemistry and molecular pharmacology from Harvard University.

Virinder Nohria*, *M.D., Ph.D. Dr. Nohria, 59, has served on the board of directors of Vidara since December 20, 2011. Dr. Nohria serves as President of Vidara Therapeutics, which he co-founded in 2011. Dr. Nohria is currently on the board of directors of Promentis Pharmaceuticals Inc., a privately held early stage neuroscience company and Sebela Pharmaceuticals. Previously, Dr. Nohria has served on the board of Allergy Therapeutics PLC. In the past, Dr. Nohria was part of the founding team of Alaven Pharmaceutical and Alaven Consumer Health LLC and served as its Chief Medical Officer, Chief Compliance Officer and Executive Vice President from 2008 until it s sale to Meda Pharma in October 2010. Additionally, Dr. Nohria worked for Eli Lilly on Zyprexa and at UCB, where he was clinical lead for submission and commercialization of Keppra in the United States. Between 2003 and 2005, he was Vice President and Chief Medical Officer of Xcel Pharmaceuticals where he led development of retigabine (ezogabine) for the treatment of epilepsy. Dr. Nohria is an experienced biotechnology entrepreneur and drug developer with a track record of success in the pharmaceutical and biotechnology sector. Dr. Nohria is a board-certified neurologist with special qualification in child neurology. His medical training was conducted at the University of Cambridge in England. His postgraduate training was completed in the United Kingdom and the United States at Duke University. He also holds a Ph.D. in Neuropharmacology and has authored many publications and book chapters.

Ronald Pauli. Mr. Pauli, 53, has served on the board of directors of Horizon since September 2011. Mr. Pauli is currently a financial consultant for the pharmaceutical and life science industries. Prior to that, Mr. Pauli held senior positions at a number of biopharmaceutical companies, including chief financial officer at Sagent Pharmaceuticals, Inc. and NeoPharm, Inc. and corporate controller and interim chief financial officer at Abraxis BioScience, Inc. (formerly American Pharmaceutical Partners, Inc.). In addition, Mr. Pauli previously served as corporate controller for Applied Power, Inc. and R.P. Scherer Corporation, held multiple finance positions at Kmart Corporation and began

his career with Ernst & Whinney. Mr. Pauli received a B.S. in accounting from Michigan State University and a master s degree in finance from Walsh College.

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Gino Santini. Mr. Santini, 58, has served on the board of directors of Horizon since March 2012. Mr. Santini currently serves on the boards of directors of AMAG Pharmaceuticals, Inc. and Allena Pharmaceuticals, Inc. and is retired from a distinguished career with Eli Lilly and Company (Lilly) that spanned nearly three decades. During his tenure at Lilly, Mr. Santini held various leadership positions of increasing responsibility, including manager of various international regions, president of the women s health franchise and president of U.S. operations. Mr. Santini capped his career at Lilly as a member of the company s executive committee and as the senior vice president of corporate strategy and business development. Mr. Santini, fluent in four languages, holds an undergraduate degree in mechanical engineering from the University of Bologna and a master s in business administration from the University of Rochester.

H. Thomas Watkins. Mr. Watkins, 61, has served on the board of directors of Horizon since April 2014. Mr. Watkins, in his most recent role, was director, president and chief executive officer of Human Genome Sciences (HGS) from 2004 until HGS was acquired by GlaxoSmithKline in 2012. Before leading HGS, Mr. Watkins spent over twenty years in senior roles at Abbott and its affiliates in the United States and Asia, most recently serving as the president of TAP Pharmaceutical Products, Inc., which was jointly owned by Abbott and Takeda Pharmaceutical Company, Inc. During his tenure, he led the growth of TAP from approximately $2 billion to over $4 billion in annual revenue. Mr. Watkins began his career in 1974 with Arthur Andersen & Co. From 1979 to 1985, he was a management consultant with McKinsey and Company, Inc., working with multinational companies in the United States, Europe and Japan. Mr. Watkins holds a bachelor s degree from the College of William and Mary, and a master s degree in business administration from the University of Chicago Graduate School of Business. Mr. Watkins is the chairman of the board of directors of Vanda Pharmaceuticals, Inc. He is also a member of the board of directors of the Biotechnology Industry Organization (BIO) and a member of the board of visitors of The College of William and Mary.

Director Independence

As required under the NASDAQ Stock Market LLC listing standards, which are referred to in this proxy statement/prospectus as the NASDAQ listing standards, a majority of the members of a listed company s board of directors must qualify as independent, as affirmatively determined by the board of directors. The Horizon board of directors consults with counsel to ensure that the board s determinations are consistent with relevant securities and other laws and regulations regarding the definition of independent, including those set forth in pertinent NASDAQ listing standards, as in effect from time to time. Consistent with these considerations, after review of all relevant transactions or relationships between each director of Horizon who is expected to become a director of New Horizon, or any of his or her family members, and Horizon, its senior management and its independent registered public accounting firm, the Horizon board of directors has affirmatively determined that each director of Horizon who is expected to become a director of New Horizon is an independent director within the meaning of the applicable NASDAQ listing standards, except that Mr. Timothy Walbert, Horizon s Chairman and Chief Executive Officer, is not an independent director by virtue of his employment with Horizon. Dr. Nohria, who is currently expected to be designated as a director of New Horizon pursuant to the Merger Agreement, will not be an independent director within the meaning of the applicable NASDAQ listing standards given his current employment with Vidara.

Board Committees

The board of directors of New Horizon following the completion of the Merger will have a standing audit committee, a compensation committee, a business development committee and a nominating and corporate governance committee, with each committee comprised solely of independent directors (with the exception of Mr. Walbert serving on the business development committee). At all times, New Horizon will be required to have at least three directors satisfying the independence requirements for directors serving on an audit committee, as prescribed by the NASDAQ

listing standards and SEC rules and regulations.

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Senior Management of New Horizon

Pursuant to the Merger Agreement, the officers of New Horizon following the Merger will be designated by Horizon. The following table lists the names and the expected positions of the individuals who are expected to serve as executive officers and senior management of New Horizon following the Merger:

Name	Expected Position
Timothy P. Walbert	President, Chief Executive Officer and Chairman of the board of directors
Robert F. Carey	Executive Vice President, Chief Business Officer
Robert J. De Vaere	Executive Vice President, Chief Financial Officer(1)
Paul W. Hoelscher	Executive Vice President, Finance(2)
Jeffrey W. Sherman, M.D., FACP	Executive Vice President, Development, Manufacturing and Regulatory Affairs and Chief Medical Officer
Todd N. Smith	Executive Vice President, Chief Commercial Officer

(1) Mr. De Vaere will serve as Executive Vice President, Chief Financial Officer until his retirement on September 30, 2014.
(2) Following Mr. De Vaere s retirement described in footnote (1) above, effective as of October 1, 2014, Mr. Hoelscher will serve as Executive Vice President, Chief Financial Officer.

As the date of the proxy statement/prospectus, it is expected that the executive officers of New Horizon, as defined under relevant SEC rules, will initially be the same persons currently serving as executive officers of Horizon. The following includes a brief biography of each person who is expected to be an executive officer of New Horizon following the completion of the Merger, including their respective ages as of June 24, 2014 and their respective positions with Horizon:

Timothy P. Walbert, age 47. Biographical information regarding Mr. Walbert is set forth above under *Directors of New Horizon*.

***Robert F. Carey*.** Mr. Carey, age 55, has served as Horizon s executive vice president and chief business officer since March 2014. Prior to joining Horizon, Mr. Carey spent more than 11 years as managing director and head of the life sciences investment banking group at JMP Securities LLC, a full-service investment bank. Prior to JMP, Mr. Carey was a managing director in the healthcare groups at Dresdner Kleinwort Wasserstein and Vector Securities. Mr. Carey also has held roles at Red Hen Bread, InStadium, Shearson Lehman Hutton and Ernst & Whinney. Mr. Carey received his B.S. in accounting from the University of Notre Dame.

Robert J. De Vaere. Mr. De Vaere, age 56, has served as Horizon s executive vice president and chief financial officer since Horizon s inception in March 2010 and as the executive vice president and chief financial officer of Horizon Pharma USA since October 2008. From May 2007 to June 2009, Mr. De Vaere served as senior vice president, finance and administration and chief financial officer at IDM, which was acquired by Takeda in 2009. From August 2006 to April 2007, Mr. De Vaere served as chief financial officer at Nexa Orthopedics, Inc., a medical device company, which was acquired by Tornier, Inc. in February 2007. From August 2005 to March 2006, Mr. De Vaere served as vice president, finance and administration and chief financial officer at IDM. From May 2000 to August 2005, Mr. De Vaere served as vice president and chief financial officer at Epimmune Incorporated, a pharmaceutical

company focused on the development of vaccines, which was combined with IDM in August 2005. Prior to 2000, Mr. De Vaere served as vice president of finance and administration and chief financial officer at Vista Medical Technologies, Inc., a medical device company. Mr. De Vaere received his B.S. from the University of California, Los Angeles.

Paul W. Hoelscher. Mr. Hoelscher, age 49, has served as Horizon s executive vice president, finance since June 2014. Prior to joining Horizon, Mr Hoelscher served as senior vice president, finance treasury and corporate development of OfficeMax, Inc., an office supply company, from August 2013 to May 2014, and as

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vice president, finance treasury and corporate development of OfficeMax from August 2012 to July 2013. From 2004 to May 2012, Mr. Hoelscher served as vice president, finance integration; vice president, international finance and treasurer; and vice president, corporate controller of Alberto Culver Company, a hair and skin beauty care company which was acquired by Unilever in 2011. From 1993 to 2004, Mr. Hoelscher served in other positions of increasing responsibility at Alberto Culver, including manager, corporate accounting; director, corporate finance; senior director, corporate finance; and corporate controller. Mr. Hoelscher also served in various positions at KPMG LLP from 1986 to 1993. Mr. Hoelscher received his B.S. in accountancy from the University of Illinois at Urbana-Champaign.

Jeffrey W. Sherman, M.D., FACP. Dr. Sherman, age 59, has served as Horizon s executive vice president, development, manufacturing and regulatory affairs, and chief medical officer since June 2011, as Horizon s executive vice president, development and regulatory affairs and chief medical officer since Horizon s inception in March 2010 and as the executive vice president, development and regulatory affairs and chief medical officer of Horizon Pharma USA since June 2009. From June 2009 to June 2010, Dr. Sherman served as president and board member of the Drug Information Association (DIA), a nonprofit professional association of members who work in government regulatory, academia, patient advocacy, and the pharmaceutical and medical device industry. Dr. Sherman is now a past president of DIA and serves as DIA liaison to the Clinical Trial Transformation Initiative, a public-private partnership founded by the U.S. Food and Drug Administration and Duke University to improve the quality and efficiency of clinical trials. He also serves on the Board of Advisors of the Center for Information and Study on Clinical Research Participation, a nonprofit organization dedicated to educating and informing the public, patients, medical/research communities, the media, and policy makers about clinical research and the role each party plays in the process. Dr. Sherman is an adjunct assistant professor of Medicine at the Northwestern University Feinberg School of Medicine and is a member of a number of professional societies as well as a diplomat of the National Board of Medical Examiners and the American Board of Internal Medicine. From August 2007 to June 2009, Dr. Sherman served as senior vice president of research and development and chief medical officer at IDM which was acquired by Takeda in 2009. From June 2007 to August 2007, Dr. Sherman served as vice president of clinical science at Takeda, a pharmaceutical research and development center. From September 2000 to June 2007, Dr. Sherman served as chief medical officer and executive vice president at NeoPharm, Inc., a biopharmaceutical company. From October 1992 to August 2000, Dr. Sherman served as director, senior director and executive director of clinical research and head of oncology global medical operations at Searle/Pharmacia (Searle), a pharmaceutical company. Prior to joining Searle, Dr. Sherman worked in clinical pharmacology and clinical research at Bristol-Myers Squibb Company, a biopharmaceutical company. Dr. Sherman received his M.D. from the Rosalind Franklin University/Chicago Medical School. Dr. Sherman completed an internal medicine internship, residency and chief medical residency at Northwestern University as well as fellowship training at the University of California, San Francisco (UCSF). Dr. Sherman was also a research associate at the Howard Hughes Medical Institute at UCSF.

Todd N. Smith. Mr. Smith, age 45, has served as Horizon s executive vice president and chief commercial officer since February 2012. Prior to that, Mr. Smith served as Horizon s senior vice president, sales, marketing and business development since October 2010. From January 2009 to August 2010, Mr. Smith served as vice president, global marketing, strategy and business development at Fenwal, Inc., a global medical device technology company, and managed a team of approximately 100 people located in the United States and abroad. Mr. Smith also served as vice president of automated business from May 2008 to January 2009, and amicus category business unit director from November 2007 to May 2008 at Fenwal. From April 2006 to November 2007, Mr. Smith served as director of marketing, virology franchise, Abbott, a broad-based healthcare company, now AbbVie and managed marketing and field teams of approximately 85 people. From March 2004 to April 2006, Mr. Smith served as director of sales, virology franchise, at Abbott, now AbbVie, managing a sales and training team of approximately 200 people. From April 2003 to April 2004, Mr. Smith served as deputy director product management, segment markets and managed care, at Bayer Biological Products, a pharmaceutical company. At Bayer Biological Products, Mr. Smith also served as associate director of coagulation products from April 2002 to April 2003. From April 2001 to April 2002,

Mr. Smith served as associate director of business development at Achillion Pharmaceuticals, Inc., a biopharmaceutical company

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focused on infectious disease. Prior to April 2001, Mr. Smith served as a regional sales manager, product manager and sales specialist at Agouron Pharmaceuticals, Inc., a pharmaceutical company, which was acquired by Pfizer Inc. in February 2000. Mr. Smith received his B.A. from Norwich University.

The executive officers of New Horizon will be elected by, and will serve at the discretion of, the New Horizon board of directors. There are no family relationships among any of the currently expected directors and executive officers of New Horizon.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

This Compensation Discussion and Analysis discusses the compensation philosophy, policies and principles underlying Horizon s executive compensation decisions for the 2013 fiscal year and those made in January 2014. It provides qualitative information on the factors relevant to these decisions and the manner in which compensation is awarded to Horizon s executive officers who have been named in the Summary Compensation Table below and are referred to as Horizon s named executive officers.

Horizon s board of directors has delegated responsibility for creating, reviewing and making recommendations regarding the compensation of Horizon s executive officers to the compensation committee of the board of directors, which is composed of independent directors under SEC regulations and the NASDAQ Listing Rules. The role of the compensation committee is to oversee Horizon s compensation and benefit plans and policies, to administer Horizon s equity incentive plans and to annually review and make recommendations to Horizon s board of directors who approve all compensation decisions relating to Horizon s executive officers.

Consideration of Stockholder Advisory Votes. Horizon s say-on-pay vote held at its 2013 Annual Meeting of stockholders was supported by 93.5% of the votes affirmatively cast, excluding abstentions and broker non votes. While this vote was only advisory, the compensation committee interpreted it to be a very positive affirmation from the stockholders that they strongly endorse Horizon s historical compensation philosophy, policies and decisions. Accordingly, the compensation committee determined to not make any significant changes in how it went about reviewing and setting compensation levels for Horizon s executives. When determining how often to hold an advisory vote on executive compensation, the board recommended and the stockholders agreed upon, an annual vote. In addition to holding an annual advisory vote on executive compensation, Horizon is committed to ongoing engagement with its stockholders on executive compensation and corporate governance issues.

2013 Performance Highlights and Executive Summary

Horizon had strong corporate performance during 2013, including:

- Total stockholder return of 227%.
- Total annual net revenues increased from $18.8 to $74.0.
- Total prescriptions for DUEXIS® increased 128% over 2012 to 214,690.
- Total prescriptions for RAYOS® were 8,987 in its first full year of launch.
- Executed the initial launch of RAYOS.

Completed the acquisition of the U.S. rights to VIMOVO® from AstraZeneca.

Cash and cash equivalents at December 31, 2013 were approximately $80.5 million.

Horizon s compensation committee believes that Horizon s executive compensation program is appropriately designed and reasonable in light of the executive compensation programs of its industry group and peer group companies in that it both encourages the named executive officers to work for Horizon s long-term prosperity and reflects a pay-for-performance philosophy, without encouraging its employees to assume excessive risks. The major aspects of Horizon s executive compensation program include the following:

No Guaranteed Salary Increases or Bonus Awards. Horizon does not provide its named executive officers with guaranteed salary increases or bonuses. Horizon s named executive officers are employed at-will and are expected to demonstrate strong performance in order to continue serving as members of the executive team.

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No Excessive Perquisites. Horizon does not provide personal lifestyle perquisites, such as country club memberships, vacation units, personal use of aircraft, personal entertainment accounts, or similar perquisites, nor has Horizon provided tax-gross ups for any executive perquisites.

Responsible Severance and Change in Control Compensation. Horizon s executive employment agreements and its Severance Benefit Plan, in all cases require an involuntary or constructive termination of employment for the named executive officers to be eligible for any non-change of control related severance benefits or change of control related severance benefits. The severance benefits are less than two times the annual base salary of the named executive officers, other than for the chief executive officer, who as a result of changes approved by the board of directors in January 2014 would receive in a change in control related termination two times the sum of his annual base salary and target bonus, plus twelve months of COBRA premiums. Horizon does not provide any tax gross-ups for any severance or change in control benefits.

Compensation Objectives

Horizon believes in providing a competitive total compensation package to its executive management team through a combination of base salary, discretionary annual bonuses, grants under its equity incentive compensation plan and severance and change in control benefits. The executive compensation programs are designed to achieve the following objectives:

attract and retain talented and experienced executives to manage Horizon s business to meet its long-term objectives;

motivate and reward executives whose knowledge, skills and performance are critical to Horizon s success;

align the interests of Horizon s executive officers and stockholders by motivating executive officers to achieve performance objectives that will increase stockholder value;

provide a competitive compensation package in which total compensation is determined in part by market factors, key performance objectives and milestones and the achievement level of these performance objectives and milestones by Horizon s executive officers; and

reward the achievement of key corporate and individual performance measures.

Horizon s compensation committee believes that its executive compensation programs should include short- and long-term performance incentive components, including cash and equity-based compensation, and should reward consistent performance that meets or exceeds expectations by increasing base salary levels, awarding cash bonuses and granting additional equity awards, as appropriate. The compensation committee evaluates both performance and compensation to make sure that the total compensation provided to Horizon s executives remains competitive relative to compensation paid by companies of similar size, geographic location and stage of development operating in the life sciences industries, taking into account Horizon s relative performance and Horizon s own strategic objectives.

Setting Executive Compensation

Horizon s compensation committee reviews and determines generally on an annual basis the compensation to be paid to Horizon s chief executive officer and other executive officers. As part of this process, Horizon conducts an annual review of the aggregate level of executive compensation, the mix of elements used to compensate its executive officers and of historical compensation levels, including prior equity award gains and losses.

When setting executive compensation, the compensation committee generally considers compensation paid by life sciences companies included in the Radford Global Life Sciences Survey, together with other information

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made available to it such as compensation analysis performed by independent, third party compensation specialists. The compensation committee generally believes that gathering this information is an important part of its compensation-related decision-making process and typically provides additional context and validation for its executive compensation decisions. Although the compensation committee has used this survey data as a tool in determining executive compensation, it typically has not used a formula to set executives compensation in relation to this survey data. In addition, the compensation committee has typically taken into account advice from other non-employee members of the board of directors and publicly available data relating to the compensation practices and policies of other companies within and outside Horizon s industry.

The compensation committee has also considered and intends to continue to consider key performance objectives and milestones and the achievement level of these performance objectives and milestones by Horizon s executive officers as well as market factors in setting their base compensation and discretionary bonus levels, and awarding bonuses and long term incentives.

The compensation committee retains the services of third-party executive compensation specialists and consultants from time to time, as it sees fit, in connection with the establishment of cash and equity compensation and related policies. In 2012 and again in 2013, Horizon engaged Compensia Inc. (Compensia), an executive compensation specialist, to analyze Horizon s executive compensation practices against the practices of an industry peer group of twenty-two pharmaceutical companies with similar market capitalizations, number of employees and revenue levels. The following table shows the companies that made up the benchmark peer group. These peer group companies have market capitalization ranging from approximately $176 million to $1.4 billion, as compared to Horizon s current market capitalization of approximately $1.1 billion at June 24, 2014.

Peer Group	
Acorda Therapeutics	Neurocrine Biosciences
AMAG Pharmaceuticals	Orexigen Therapeutics
Antares Pharma	Pacira Pharmaceuticals
Arena Pharmaceuticals	Progenics Pharmaceutical
Auxillium Pharma	Sangamo Biosciences
Avanir Pharmaceuticals	Spectrum Pharmaceuticals
BioDelivery Sciences	Sucampo Pharmaceuticals
Cadence Pharmaceuticals	Supernus Pharmaceuticals
Corcept Therapeutics	Synta Pharmaceuticals
Depomed	Vanda Pharmaceuticals
Dyax	VIVUS
INSYS Therapeutics	Zogenix
Ironwood Pharmaceuticals	

Compensia was engaged in 2013 to analyze and present competitive ongoing market base salaries, discretionary annual bonuses, and long-term incentive grant practices provided by these peer group companies with respect to their employees, including executive management.

Benchmarking

In December 2013, the compensation committee reviewed Horizon s compensation philosophy. The philosophy is to attract and retain top talent with experience in building and leading a successful specialty pharmaceutical organization, provide competitive compensation and benefits opportunities that motivate appropriate risk taking to

achieve success, clearly communicate the drivers of business success to create a sense of urgency and ownership among employees, create a direct, meaningful link between business results, individual performance and rewards to motivate over achievement, to provide flexibility in Horizon s compensation plans to allow differentiation for its employees with the highest performance and potential, to create opportunities for equitable pay opportunities for management and high-level individual contributors and to align interests of

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management, employees and stockholders to set priorities and focus. The overall compensation goal is to target the 50th percentile of the total compensation of comparable companies and selectively the 75th percentile for employees with the highest performance and potential. In December 2013, the board of directors determined that due to their exceptional performance during 2013, the 2014 compensation of all of Horizon s named executive officers would be targeted at the 75th percentile of its peer group.

Independence of Compensation Consultant

In September 2013, the compensation committee conducted an independence and performance assessment of Compensia. In conducting the independence assessment, the compensation committee considered the following factors: whether Compensia provided any other services to Horizon; the amount of fees received by Compensia from Horizon as a percentage of Compensia s total revenues; the policies and procedures of Compensia that are designed to prevent conflicts of interest; any business or personal relationship of the individual representative of Compensia who worked directly with the compensation committee; any of Horizon s stock owned by the individual representative of Compensia who worked directly with the compensation committee; and any business or personal relationship of the individual representative of Compensia who worked directly with the compensation committee, or of Compensia, with any of Horizon s executive officers. After conducting this assessment, the compensation committee concluded that the retention of Compensia did not raise any conflict of interest and that Compensia has consistently provided valuable advice and services to the compensation committee so that it would continue to retain Compensia as its independent compensation consultant.

Role of Chief Executive Officer in Compensation Decisions

The chief executive officer typically evaluates the performance of other executive officers and employees, along with the performance of the company as a whole against previously determined objectives, on an annual basis and makes recommendations to the board of directors or compensation committee with respect to annual salary adjustments, bonuses and annual equity awards for the other executives. The compensation committee exercises its own independent discretion in recommending salary adjustments and discretionary cash and equity-based awards for all executive officers for final approval to the board of directors. The chief executive officer is not present during deliberations or voting with respect to the compensation for himself.

Elements of Executive Compensation

The compensation program for Horizon s executive officers consists principally of base salary, annual cash incentive compensation and long-term compensation in the form of equity awards, as well as severance protection for certain of Horizon s executive officers through employment agreements with those executive officers and Horizon s Severance Benefit Plan. As discussed in more detail below, base salary is based primarily on market factors and annual cash incentive compensation is a target percentage of base salary, with the actual amount awarded determined in the compensation committee s discretion based upon its determination of the level of attainment of performance goals. The amount of cash compensation and the amount of equity awards granted to Horizon s executives are both considered in determining total compensation for Horizon s executive officers.

Historically, Horizon has not specified a target percentage of the overall compensation to be represented by the various compensation elements. The compensation committee s intention was that performance based cash incentive bonuses and long-term equity compensation should be a significant part of the executive s compensation and historically, it has represented a significant portion of an executive s total pay package, so that approximately 30% to 70% of Horizon s executive officers total potential compensation is at risk. This helps with implementing a culture in which the named executive officers know that their take home pay, to a large extent, depends upon Horizon s

performance. Employees in more senior roles have an increasing proportion of their potential compensation at risk and tied to performance because they are in a position to have greater

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influence on Horizon s performance results. For example, approximately 70% of the chief executive officer s total potential 2013 compensation was at risk. For purposes of such calculations, with respect to stock unit award values, the value of the underlying shares on the date of grant was used.

Horizon has selected each of the executive compensation components for the following reasons:

- Taken as a whole, the components of the executive compensation program (base pay, annual cash incentive compensation, long-term compensation in the form of equity grants and Horizon s severance benefit protections) are comparable to the programs offered by other companies of Horizon s size in the life sciences and healthcare services industries; therefore, Horizon s compensation program generally helps attract new executive talent and retain, motivate, and reward the executives that it currently employs.

- The annual cash incentive program rewards executives for the satisfaction of Horizon s pre-established annual corporate performance goals. Compensation under this program directly rewards satisfaction of Horizon s corporate objectives and individual performance. Horizon provides this program so that its executives will focus their efforts on annual company goals that are driven off of Horizon s longer term strategy, and to take actions that maximize stockholder value. Horizon s compensation committee rewards executives only in the event of satisfactory corporate and individual performance.

- Equity awards serve several purposes: first, they are a retention device, because the executive must continue employment with Horizon for the awards to vest, and second, Horizon s performance restricted stock unit awards that vest upon satisfaction of corporate performance goals incentivize its executives to satisfy key performance objectives that will maximize stockholder value and long term equity incentive awards that vest over time become more valuable as stockholder value increases.

Base Salary. Base salaries for Horizon s executives are established based on the scope of their responsibilities, individual experience and market factors. Base salaries are reviewed annually, typically in connection with Horizon s annual performance review process. In December 2012, the board of directors approved the 2013 base salaries to align with 2013 market levels as reflected by the Radford survey data after taking into account individual responsibilities, performance and experience, and making a subjective determination as to whether and what extent 2013 base salaries should be increased based upon those factors.

In December 2013, Horizon s compensation committee recommended increases to the base salaries for Horizon s executive officers, effective January 1, 2014, after a review of the 2013 Radford Global Life Sciences survey data for comparable companies and executive officer positions, executive officer salaries at the peer group companies, and individual and company performance. The compensation committee recommended and the board approved a 3.0% increase to the annual base salary of Mr. De Vaere, Dr. Sherman and Mr. Smith, and a 9.3% increase for Mr. Walbert. These increases were approved in order to align their base salaries with the 75th percentile of the peer group companies because Horizon s board of directors determined that Horizon s named executive officers should be rewarded for its above target performance during 2013 and their individual efforts in contributing to such performance.

The base salaries for each of the named executive officers for 2014, 2013 and 2012 are as follows:

Named Executive Officer	Base Salary 2014	2013	2012
Timothy P. Walbert	$ 644,100	$ 589,160	$ 572,000
Robert F. Carey[1]	$ 400,000		
Robert J. De Vaere	$ 386,168	$ 374,920	$ 364,000
Paul W. Hoelscher[2]	$ 375,000		
Jeffrey W. Sherman	$ 408,234	$ 396,340	$ 384,800
Todd N. Smith	$ 387,229	$ 375,950	$ 365,000
Mike Adatto[3]		$ 304,500	$ 300,000

(1) Mr. Carey began employment with Horizon on March 5, 2014 and is not currently a named executive officer.

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(2) Mr. Hoelscher began employment with Horizon on June 23, 2014 and is not currently a named executive officer.
(3) Mr. Adatto terminated employment with Horizon on June 17, 2013.
Annual Cash Incentive Compensation. In addition to base salaries, Horizon provides performance-based cash bonuses as an incentive for its executives to achieve defined annual corporate goals.

2013 Incentive Compensation. For 2013, pursuant to their employment agreements, each executive officer had an established target cash bonus represented as a percentage of base salary as follows: 60% for Mr. Walbert and 40% for Mr. De Vaere, Dr. Sherman and Mr. Smith and 30% for Mr. Adatto. These established target bonus percentages were deemed market competitive based on Radford data at the time of hire of the executive officers and based on then current data. Bonus target percentages are reviewed annually and may be adjusted by the compensation committee in its discretion, although pursuant to the respective employment agreements with Mr. Walbert, Mr. De Vaere, Dr. Sherman and Mr. Smith such percentages may not be reduced without the consent of the executive.

At the beginning of each calendar year, the compensation committee, in consultation with management, determines corporate goals and milestones for the executive officers. At the end of each year, the compensation committee reviews and determines the level of achievement for each corporate goal and milestone. Each of these corporate objectives and milestones are assigned a certain weight and bonus payments are determined based on achievement of the various objectives. Final determinations as to discretionary bonus levels are based in part on the achievement of these corporate goals or milestones, as well as the compensation committee s assessment as to the overall development of Horizon s business and corporate accomplishments. These corporate goals and milestones, and the proportional emphasis placed on each goal and milestone will vary over time depending on Horizon s overall strategic objectives and stage of development as a company, but relate generally to factors such as achievement of clinical, regulatory, manufacturing, commercialization and sales milestones for products or product candidates, financial factors such as achieving sales and income levels, raising or preserving capital, performance against its operating budget and individual performance.

Actual bonus award levels are determined at the compensation committee s discretion and recommended to the board of directors for approval. At the close of the applicable calendar year, the compensation committee comes to a general, subjective conclusion as to whether the corporate goals were met, whether the executive has performed his duties in a satisfactory manner, and whether there were any other extraordinary factors that should be considered in determining the amount of bonus earned for the year. The compensation committee may decide to pay bonuses to the executive officers even if the specified corporate performance goals are not met, in recognition of the officer s efforts throughout the year in meeting other objectives not contemplated at the beginning of the performance period. In making the final recommendation on the amount of bonuses earned, if any, the compensation committee considers the review of the year-end corporate results as well as the performance of the individual executive officers. In sum, the amount of variable compensation that is actually earned by Horizon s named executive officers is a subjective, entirely discretionary, determination made by the compensation committee without the use of pre-determined formulas. The compensation committee believes that maintaining discretion to evaluate Horizon s and the executive s performance at the close of the year based on the totality of the circumstances, and to recommend or fail to recommend bonus compensation without reliance on rote calculations under set formulas, is appropriate in responsibly discharging its duties. Payouts of awarded bonuses, if any, are generally made in the year following the year of performance.

The 2013 corporate objectives established by the compensation committee at the beginning of 2013 were:

1. achieve certain specified DUEXIS and RAYOS/LODOTRA sales targets;

2. achieve a certain specified earnings before interest, taxes, depreciation and amortization (EBITDA) target;

3. end the year with a certain specified minimum cash level;

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4. achieve certain specified commercial objectives relating to product prescriptions and managed care approval rates; and

5. achieve certain specified business development and alliance management goals.

The compensation committee selected these goals because it believed that they were the best indicators of the achievement of the execution of Horizon s operating plan and are the factors that were most critical to increasing the value of Horizon s common stock. These goals, therefore, best aligned the financial interests of the named executive officers with those of Horizon s stockholders. In December 2013, the board of directors determined that these 2013 corporate objectives had been attained at a level of 125% of the targeted levels.

In December 2013, based on management s recommendations and the compensation committee s own review, deliberation and determination of achievement of the corporate objectives and milestones listed above, along with determination of achievement of personal goals, Horizon s compensation committee recommended and Horizon s board approved bonus percentages for its named executive officers at 125% of target bonus amount for 2013, which resulted in the awarding of discretionary incentive bonus amounts of $441,870 for Mr. Walbert (125% of the 60% target), $198,172 for Dr. Sherman (125% of the 40% target), $187,460 for Mr. De Vaere (125% of the 40% target) and $187,975 for Mr. Smith (125% of the 40% target). Payment of the discretionary bonuses was made in January 2014.

In addition to the annual cash incentive bonuses described above, in December 2013 the compensation committee recommended and the board of directors approved a one-time bonus payment related to the completion of the acquisition of the U.S. rights to VIMOVO from AstraZeneca in November 2013. The compensation committee deliberated and determined that the VIMOVO acquisition was a significant value creation event for Horizon and that the executive officers should be compensated separately for their completion of the acquisition. The one-time bonus amounts approved were $300,000 for Mr. Walbert, $150,000 for Mr. De Vaere, and $125,000 for each of Dr. Sherman and Mr. Smith. The compensation committee and the board further determined that the bonus payments should be made in the form of fully vested stock units for a number of shares of Horizon s common stock with a value equal to the bonus payment amounts as of the award date, so that the board of directors approved 43,290 stock units for Mr. Walbert; 21,640 stock units for Mr. De Vaere; and 18,037 stock units each for Dr. Sherman and Mr. Smith. Shares of common stock were issued in settlement of the stock units on May 15, 2014.

2014 Cash Incentive Compensation. In December 2013, the compensation committee recommended changes to the target cash bonuses for Horizon s executive officers, effective for 2014, after a review of the 2013 Radford Global Life Sciences survey data for comparable companies and executive officer positions, and after reviewing executive officer cash incentive compensation at the peer group companies. The compensation committee recommended and the board of directors approved 2014 target cash bonuses expressed as a percentage of base salary as reflected in the table below. The board of directors approved these increases in target cash bonus percentages for 2014 in order to bring the executive s total target cash compensation to the 75th percentile of the peer group.

Named Executive Officer	2013 Target Bonus	2014 Target Bonus
Timothy P. Walbert	60%	70%
Robert F. Carey[1]		50%
Robert J. De Vaere	40%	50%
Paul W. Hoelscher[2]		50%
Jeffrey W. Sherman	40%	45%

Todd N. Smith	40%	45%
Mike Adatto[3]	30%	

(1) Mr. Carey began employment with Horizon on March 5, 2014 and is not currently a named executive officer.

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(2) Mr. Hoelscher began employment with Horizon on June 23, 2014 and is not currently a named executive officer.
(3) Mr. Adatto terminated employment with Horizon on June 17, 2013.

Long-term Incentive Program. Horizon believes that by providing its executives the opportunity to increase their ownership of its stock, the best interests of stockholders and executives will be more aligned and will encourage long-term performance. The stock awards enable Horizon s executive officers to benefit from the appreciation of stockholder value, while personally participating in the risks of business setbacks. Horizon s equity benefit plans have provided its executive officers the primary means to acquire equity or equity-linked interests in Horizon. These equity awards are generally approved in December of each year and granted at the beginning of the subsequent year.

In January 2013, based on the recommendation of the compensation committee, the board granted restricted stock units covering an aggregate of 273,700 shares of common stock to Horizon s named executive officers as part of their overall compensation package. The award level for each of its named executive officers related to the restricted stock unit grants were as follows: 128,700 restricted stock units for Mr. Walbert; 45,000 restricted stock units for Mr. De Vaere and Dr. Sherman; 55,000 restricted stock units for Mr. Smith; and 18,900 restricted stock units granted to Mr. Adatto (who terminated his employment with Horizon in June 2013). These award levels were determined by the compensation committee to be at the 25th percentile of the long-term incentive compensation levels provided by Horizon s peers, and were made at this level in order to conserve the number of shares available for grant under the share reserve of Horizon s equity incentive plan.

In January 2014, based on the recommendation of the compensation committee, the board of directors granted restricted stock units and stock options to Horizon s named executive officers as part of their overall compensation package. The restricted stock unit grants were as follows: 198,000 restricted stock units for Mr. Walbert and 62,000 restricted stock units for each of Messrs. De Vaere and Smith and Dr. Sherman. The stock option grants were as follows: 223,000 stock options for Mr. Walbert and 70,000 stock options for each of Messrs. De Vaere and Smith and Dr. Sherman. These equity award levels were determined by the compensation committee to approximate the 75th percentile of the long-term incentive compensation levels provided by Horizon s peers, and were made at a level exceeding the 50th percentile of its peers in order to reward the executives for Horizon s above target performance in 2013 as well as compensate for the lower level of equity awards previously granted to the named executive officers in January 2013 due to the limited number of shares available for grant under the equity incentive plan at that time. Subject to continued services, the restricted stock units vest in four equal annual installments, and the options vest in 48 equal monthly installments, in each case commencing January 2, 2014.

Severance and Change in Control Benefits. Horizon s named executive officers are entitled to certain severance and change in control benefits, the terms of which are further described below under *Potential Payments Upon Termination or Change-in-Control*. Horizon believes these severance and change in control benefits are an essential element of its overall executive compensation package and assist it in recruiting and retaining talented individuals and aligning the executives interests with the best interests of the stockholders.

In January 2014, Horizon s compensation committee reviewed severance and change of control benefits of the peer group companies and based on that review, recommended, and the board approved changes to certain of the terms of the severance and change of control benefits for Horizon s executive officers. Mr. Walbert, Mr. De Vaere, Dr. Sherman and Mr. Smith each have severance benefit protection under the terms of their employment agreements which provide for up to 12 months base salary and COBRA health insurance premiums in the event of an involuntary or constructive termination. Mr. Walbert also receives his target annual bonus amount for the preceding year in the event of his involuntary termination. In the event of an involuntary or constructive termination in connection with a change in control, Mr. Walbert has severance benefit protection under the terms of his employment agreements which provide for up to 24 months base salary, two years of target bonus and 12 months COBRA health insurance premiums, and Mr. De Vaere, Dr. Sherman, and Mr. Smith have severance benefit protection under the terms of their

employment agreements which provide for up to 12 months base

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salary, one year of target bonus and 12 months COBRA health insurance premiums. In addition, stock option and other equity awards are subject to acceleration under the terms of their employment agreements in the event of a qualifying termination within 90 days prior to or within 18 months following a change in control. Each of Mr. Walbert, Mr. De Vaere, Dr. Sherman and Mr. Smith must enter into a non-competition agreement that is to be effective during the period that the severance benefits are payable.

Horizon s Severance Benefit Plan provides severance benefit protection for executives employed by Horizon Pharma, Inc. and its affiliates that do not have executive employment agreements, for a period of at least three months for vice president level and above. Mr. Adatto was eligible to receive severance benefits under the Severance Benefit Plan, which provided for six months base salary and COBRA health insurance premiums. In addition, stock option and other equity awards are subject to acceleration in the event of a qualifying termination within 90 days prior to or within 18 months following a change in control.

Severance benefits to Horizon s executives are payable only if the executive s employment is involuntarily terminated without cause or constructively terminated under certain circumstances. The compensation committee believes that these benefits are an important element of the named executive officers retention and motivation and consistent with compensation arrangements provided in a competitive market for executive talent, and that the benefits of such severance rights agreements, including generally requiring a release of claims against Horizon as a condition to receiving any severance benefits are in its best interests. The severance benefits are also intended to eliminate, or at least reduce, the reluctance of Horizon s executive officers to diligently consider and pursue potential change of control transactions that may be in the best interests of the stockholders.

Other Compensation. All of Horizon s executive officers are eligible to receive its standard employee benefits such as its 401(k) Plan, medical, dental, vision coverage, short-term disability, long-term disability, group life insurance, cafeteria plan, and the 2011 Employee Stock Purchase Plan, in each case on the same basis as its other employees. The compensation committee periodically reviews the levels of benefits provided to executive officers to ensure they remain reasonable and consistent with its compensation philosophy.

Risk Analysis. The compensation committee has reviewed Horizon s compensation policies as generally applicable to its employees and believes that its policies do not encourage excessive and unnecessary risk-taking, and that the level of risk that they do encourage is not reasonably likely to have a material adverse effect on Horizon. The design of Horizon s compensation policies and programs encourage its employees to remain focused on both its short-and long-term goals. For example, while its cash incentive plan measures performance on an annual basis, its equity awards typically vest over a number of years, which Horizon believes encourages its employees to focus on sustained potential stock price appreciation, thus limiting the potential value of excessive risk-taking.

Accounting and Tax Considerations. Horizon accounts for stock-based awards exchanged for employee services in accordance with the Compensation Stock Compensation topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification. In accordance with the topic, Horizon is required to estimate and record an expense for each award of equity compensation over the vesting period of the award. Accounting rules also require Horizon to record cash compensation as an expense over the period during which it is earned.

Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), limits Horizon s deduction for federal income tax purposes to not more than $1 million of compensation paid to certain executive officers in a calendar year. Compensation above $1 million may be deducted if it is performance-based compensation. To maintain flexibility in compensating Horizon s executive officers in a manner designed to promote its objectives, the compensation committee has not adopted a policy that requires all compensation to be deductible. However, the compensation committee intends to evaluate the effects of the compensation limits of Section 162(m) on any compensation it

proposes to grant, and the compensation committee intends to provide future compensation in a manner consistent with Horizon s best interests and those of its stockholders.

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Summary Compensation Table

The following table provides information regarding the compensation earned during the years ended December 31, 2013, 2012 and 2011 by Horizon s Chairman, President and Chief Executive Officer; Executive Vice President and Chief Financial Officer; Executive Vice President, Development, Manufacturing and Regulatory Affairs and Chief Medical Officer; Executive Vice President and Chief Commercial Officer; and former Senior Vice President, Managed Care and Commercial Development, who are collectively referred to as the named executive officers.

Name and Principal Position	Year	Salary	Bonus	Option Awards[1]	Stock Awards[2]	Non Equity Incentive Plan Compensation[9]	All Other	Total
Timothy P. Walbert	2013	$ 589,160	$ 0	$ 257,250	$ 606,282	$ 441,870[3]	$ 600	$ 1,895,162
Chairman, President and	2012	$ 572,000	$ 0	$ 0	$ 588,000	$ 275,000[3]	$ 1,218	$ 1,436,218
Chief Executive Officer	2011	$ 550,000	$ 0	$ 797,744	$ 658,883	$ 363,000[3]	$ 1,218	$ 2,370,845
Robert J. De Vaere	2013	$ 374,920	$ 0	$ 89,250	$ 256,667	$ 187,460[4]	$ 600	$ 908,897
Executive Vice President and	2012	$ 364,000	$ 0	$ 0	$ 462,000	$ 120,000[4]	$ 1,156	$ 947,156
Chief Financial Officer	2011	$ 350,000	$ 0	$ 197,170	$ 162,843	$ 162,800[4]	$ 1,156	$ 873,969
Jeffrey W. Sherman	2013	$ 396,340	$ 0	$ 89,250	$ 231,914	$ 198,172[5]	$ 600	$ 916,276
Executive Vice President,	2012	$ 384,800	$ 0	$ 0	$ 462,000	$ 142,000[5]	$ 1,070	$ 989,870
Development, Manufacturing, and Regulatory Affairs and Chief Medical Officer	2011	$ 370,000	$ 0	$ 197,170	$ 162,843	$ 162,800[5]	$ 1,070	$ 893,883
Todd Smith	2013	$ 375,950	$ 0	$ 106,750	$ 255,914	$ 187,975[6]	$ 600	$ 927,189
Executive Vice President and	2012	$ 332,583	$ 0	$ 0	$ 315,000	$ 106,000[6]	$ 824	$ 754,407
Chief Commercial Officer	2011	$ 274,275	$ 0	$ 80,455	$ 66,448	$ 96,250[6]	$ 824	$ 518,252
Michael Adatto[8]	2013	$ 139,719	$ 0	$ 38,063	$ 47,520	$ 0	$ 300	$ 225,602
Former Senior Vice President,	2012	$ 300,000	$ 0	$ 0	$ 315,000	$ 37,000[7]	$ 1,331	$ 653,331
Managed Care and Commercial Development	2011	$ 274,275	$ 0	$ 80,455	$ 66,448	$ 96,250[7]	$ 1,331	$ 518,759

(1) Amounts shown in this column do not reflect actual compensation received by the named executive officers. The amounts reflect the grant date fair value of stock option awards and are calculated in accordance with the provisions of FASB Accounting Standards Codification Topic 718 *Compensation Stock Compensation* (ASC Topic 718), and assume no forfeiture rate derived in the calculation of the grant date fair value of these awards. Assumptions used in the calculation of these awards are included in Note 17 Equity Incentive Plans in the notes to Horizon s consolidated financial statements included in this proxy statement/prospectus. The named executive officers will only realize compensation to the extent the trading price of Horizon s common stock is greater than the exercise price of such stock options.

(2) Amounts shown in this column do not reflect actual compensation received by the named executive officers. The amounts reflect the grant date fair value of restricted stock units issued in accordance with the provisions of ASC Topic 718 and are based on the closing stock price of Horizon s common stock on the date of grant and assume no

forfeiture rate derived in the calculation of the grant date fair value of these awards. Stock awards granted to the named executive officers during 2013 and 2011 consisted of restricted stock units that vest equally in four annual installments commencing on the anniversary date of the grant. Stock awards granted to the named executive officers during 2013 also included a fully vested deferred issuance of restricted stock units provided as a one-time bonus payment in connection with the completion of Horizon s acquisition of the U.S rights to VIMOVO. Stock awards granted to the named executive officers during 2012 consisted of performance-based restricted stock units and vested only upon the achievement of certain performance objectives during 2012. See Note 17 Equity Incentive Plans in the notes to the consolidated financial statements included in this proxy statement/prospectus for further information on restricted stock units.

(3) In December 2011, Horizon s board approved Mr. Walbert s 2011 bonus in the amount of $363,000, but deferred payment until completion of a debt financing, which occurred in February 2012. Mr. Walbert s target bonus amount for 2012 was $343,200. In December 2012, the board approved Mr. Walbert s bonus in the amount of $275,000, which was paid in January 2013. Mr. Walbert s target bonus amount for 2013 was $353,496, or 60% of base salary. In December 2013, the board approved Mr. Walbert s bonus in the amount of $441,870, which was paid in January 2014.

(4) In December 2011, Horizon s board approved Mr. De Vaere s 2011 bonus in the amount of $162,800, but deferred payment until the completion of the debt financing, which occurred in February 2012. Mr. De Vaere s target bonus amount for 2012 was $145,600. In December 2012, the board approved Mr. De Vaere s bonus in the amount of $120,000, which was paid in January 2013. Mr. De Vaere s target bonus amount for 2013 was $149,968, or 40% of base salary. In December 2013, the board approved Mr. De Vaere s bonus in the amount of $187,460, which was paid in January 2014.

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(5) In December 2011, Horizon s board approved Dr. Sherman s 2011 bonus in the amount of $162,800, but deferred payment until the completion of the debt financing, which occurred in February 2012. Dr. Sherman s target bonus amount for 2012 was $153,920. In December 2012, the board approved Dr. Sherman s bonus in the amount of $142,000, which was paid in January 2013. Dr. Sherman s target bonus amount for 2013 was $158,536, or 40% of base salary. In December 2013, the board approved Dr. Sherman s bonus in the amount of $198,172, which was paid in January 2014.

(6) In December 2011, Horizon s board approved Mr. Smith s 2011 bonus in the amount of $96,250, but deferred payment until the completion of the debt financing, which occurred in February 2012. Mr. Smith s target bonus for 2012 was $146,000. In December 2012, the board approved Mr. Smith s bonus in the amount of $106,000, which was paid in January 2013. Mr. Smith s target bonus amount for 2013 was $150,380, or 40% of base salary. In December 2013, the board approved Mr. Smith s bonus in the amount of $187,975, which was paid in January 2014.

(7) In December 2011, Horizon s board approved Mr. Adatto s 2011 bonus in the amount of $96,250, but deferred payment until the completion of the debt financing, which occurred in February 2012. Mr. Adatto s target bonus amount for 2012 was $105,000. In December 2012, the board approved Mr. Adatto s bonus in the amount of $37,000, which was paid in January 2013.

(8) On March 14, 2013, Horizon s board of directors determined that Mr. Adatto, Horizon s Senior Vice President, Managed Care and Commercial Development, would increasingly focus his efforts on managed care activities and, as a result, would no longer retain his prior policy making functions. Accordingly, his status as an executive officer at Horizon ended as of that date. On June 17, 2013, Mr. Adatto terminated his employment with Horizon. Upon termination of his employment, Mr. Adatto was eligible to receive severance benefits under the Severance Benefit Plan, which provided for six months base salary and COBRA health insurance premiums. On June 16, 2013, Horizon entered into a three month consulting agreement with Mr. Adatto effective upon his termination of employment.

(9) Amounts shown in this column include imputed income on life insurance benefits.

Payments Made Upon Termination. In January 2014, Horizon entered into an amendment to the amended and restated employment agreement with Mr. Walbert, its president and Chief Executive Officer, which provides that if Horizon terminates Mr. Walbert without cause or if Mr. Walbert resigns for good reason, he will be entitled to (1) be compensated at his then annual base salary for 12 months from his date of termination, (2) receive his target bonus in effect at the time of termination or, if none, his last target bonus, and (3) receive COBRA health insurance premiums for up to 12 months from the date of his termination. In addition, if Mr. Walbert is terminated without cause or if Mr. Walbert resigns for good reason within 90 days prior to or within 18 months following a change in control, 100% of the shares subject to options and restricted stock awards granted to Mr. Walbert will fully vest as of the termination date, and Mr. Walbert will be entitled to (1) be compensated at his then annual base salary for two years from his date of termination, (2) receive two times his target bonus in effect at the time of termination or, if none, two times his last target bonus, and (3) receive COBRA health insurance premiums for up to 12 months from the date of his termination. Cause is defined as gross negligence or willful failure to substantially perform duties and responsibilities to Horizon or willful and deliberate violation of any of Horizon s policies; conviction of a felony involving commission of any act of fraud, embezzlement or dishonesty against Horizon or involving moral turpitude; the unauthorized use or disclosure of any of Horizon s proprietary information or trade secrets and willful and deliberate breach of the executive s obligations under the employment agreement that cause material injury to Horizon. Resignation for good reason is defined as a material reduction in duties, authority or responsibilities; the relocation of the place of employment by more than 50 miles; or a material reduction of salary or annual target bonus opportunity. In the event of termination due to Mr. Walbert s death or complete disability, he and/or his heirs shall be eligible to receive a pro-rated bonus for the year in which such termination occurs, as determined by the board or compensation committee based on actual performance.

In January 2014, Horizon entered into an amendment to the amended and restated employment agreement with Mr. De Vaere, Horizon s executive vice president and Chief Financial Officer, which provides that if Horizon terminates Mr. De Vaere without cause or if Mr. De Vaere resigns for good reason, he will be entitled to be compensated at his then annual base salary for 12 months from his date of termination and will also be entitled to receive COBRA health insurance premiums for up to 12 months from the date of his termination. In addition, if Mr. De Vaere is terminated without cause or resigns for good reason within 90 days prior to or within 18 months following a change in control, 100% of the shares subject to options and restricted stock awards granted to Mr. De Vaere will fully vest as of the termination date, and Mr. De Vaere will be entitled to (1) be compensated at his then annual base salary for 12 months from his date of termination, (2) receive his target bonus in effect at the time of termination or, if none, his last target bonus, and (3) receive COBRA health insurance premiums for up to 12 months from the date of his termination. Cause is defined as gross negligence or

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willful failure to substantially perform duties and responsibilities to Horizon or willful and deliberate violation of any of Horizon s policies; conviction of a felony or the commission of any act of fraud, embezzlement or dishonesty against Horizon or involving moral turpitude; the unauthorized use or disclosure of any of Horizon s proprietary information or trade secrets; and willful and deliberate breach of the executive s obligations under the employment agreement that cause material injury to Horizon. Resignation for good reason is defined as a material reduction in duties, authority or responsibilities; the relocation of the place of employment by more than 50 miles; or a material reduction of salary or annual target bonus opportunity. In the event of termination due to Mr. De Vaere s death or complete disability, he and/or his heirs shall be eligible to receive a pro-rated bonus for the year in which such termination occurs, as determined by the board or compensation committee based on actual performance. In connection with Mr. De Vaere s planned future transition from Chief Financial Officer to consultant, on June 17, 2014, Mr. De Vaere entered into an executive employment and transition agreement with Horizon (the Transition Agreement), which replaces and supersedes Mr. De Vaere s prior executive employment agreement with Horizon and provides for, among other things, (i) Mr. De Vaere (a) continuing to serve as Horizon s executive vice president and Chief Financial Officer at his base salary as in effect on June 1, 2014 (the Current Salary) through September 30, 2014 (the Separation Date), (b) serving as a full-time consultant for a fee of $50,000 per month from October 1, 2014 through March 31, 2015, and (c) serving as a part-time consultant for a fee of $20,000 per month from April 1, 2015 through September 30, 2015, (ii) acceleration on the Separation Date of the vesting of all equity awards held by Mr. De Vaere, provided that Mr. De Vaere has performed the services contemplated by the Transition Agreement through the Separation Date, (iii) eligibility to receive an annual performance bonus based on Mr. De Vaere s service to Horizon during calendar year 2014, and (iv) effective April 1, 2015, a severance benefit in the form of (a) regular payments equivalent to Mr. De Vaere s monthly Current Salary for a period of 12 months, and (b) up to 12 months COBRA health insurance premiums.

In January 2014, Horizon entered into an amendment to the amended and restated employment agreement with Dr. Sherman, Horizon s executive vice president of development, manufacturing and regulatory affairs and chief medical officer, which provides that if Horizon terminates Dr. Sherman without cause or if Dr. Sherman resigns for good reason, he will be entitled to be compensated at his then annual base salary for 12 months from his date of termination and will also be entitled to receive COBRA health insurance premiums for up to 12 months from the date of his termination. In addition, if Dr. Sherman is terminated without cause or resigns for good reason within 90 days prior to or within 18 months following a change in control, 100% of the shares subject to options and restricted stock awards granted to Dr. Sherman will fully vest as of the termination date, and Dr. Sherman will be entitled to (1) be compensated at his then annual base salary for 12 months from his date of termination, (2) receive his target bonus in effect at the time of termination or, if none, his last target bonus, and (3) receive COBRA health insurance premiums for up to 12 months from the date of his termination. Cause is defined as gross negligence or failure to substantially perform duties and responsibilities to Horizon or willful violation of any of Horizon s policies; conviction of a felony or the commission of any act of fraud, embezzlement or dishonesty against Horizon or involving moral turpitude; the unauthorized use or disclosure of any of Horizon s proprietary information or trade secrets; and breach of the executive s obligations under the employment agreement that causes injury to Horizon. Resignation for good reason is defined as the relocation of the place of employment by more than 50 miles, or a material reduction of salary or annual target bonus opportunity. In the event of termination due to Dr. Sherman s death or complete disability, he and/or his heirs shall be eligible to receive a pro-rated bonus for the year in which such termination occurs, as determined by the board or compensation committee based on actual performance.

In January 2014, Horizon entered into an amendment to the employment agreement with Mr. Smith, Horizon s executive vice president and chief commercial officer, which provides that if Horizon terminates Mr. Smith without cause or if Mr. Smith resigns for good reason, he will be entitled to be compensated at his then annual base salary for 12 months from his date of termination and will also be entitled to receive COBRA health insurance premiums for up to 12 months from the date of his termination. In addition, if Mr. Smith is terminated without cause or resigns for

good reason within 90 days prior to or within 18 months following a change in control, 100% of the shares subject to options and restricted stock awards granted to Mr. Smith will

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fully vest as of the termination date, and Mr. Smith will be entitled to (1) be compensated at his then annual base salary for 12 months from his date of termination, (2) receive his target bonus in effect at the time of termination or, if none, his last target bonus, and (3) receive COBRA health insurance premiums for up to 12 months from the date of his termination. Cause is defined as gross negligence or willful failure to substantially perform duties and responsibilities to Horizon or willful violation of any of Horizon s policies; conviction of a felony or the commission of any act of fraud, embezzlement or dishonesty against Horizon or involving moral turpitude; the unauthorized use or disclosure of any of Horizon s proprietary information or trade secrets; and willful and deliberate breach of the executive s obligations under the employment agreement that causes injury to Horizon. Resignation for good reason is defined as material reduction in executive duties, authority or responsibilities; the relocation of the place of employment by more than 50 miles; or a material reduction of salary or annual target bonus opportunity. In the event of termination due to Mr. Smith s death or complete disability, he and/or his heirs shall be eligible to receive a pro-rated bonus for the year in which such termination occurs, as determined by the board or compensation committee based on actual performance.

On June 17, 2013, Mr. Adatto terminated his employment with Horizon. Upon termination of his employment, Mr. Adatto was eligible to receive severance benefits under the Severance Benefit Plan, which provided for six months base salary and COBRA health insurance premiums. On June 16, 2013, Horizon entered into a three month consulting agreement with Mr. Adatto effective upon termination of his employment.

Change in Control. A change in control under Horizon s employment agreements with Mr. Walbert, Mr. De Vaere, Dr. Sherman and Mr. Smith is defined generally as (1) the sale of all or substantially all of Horizon s assets; (2) a merger or consolidation in which Horizon is not the surviving entity and in which the holders of Horizon s outstanding voting stock immediately prior to such transaction own less than 50% of the voting power of the entity surviving the transaction or, where the surviving entity is a wholly-owned subsidiary of another entity, the surviving entity s parent; (3) a reverse merger in which Horizon is the surviving entity but the shares of common stock outstanding prior to the merger are converted into other property and in which the holders of Horizon s voting stock immediately prior to such transaction own less than 50% of the voting power of Horizon s stock, or where Horizon is a wholly-owned subsidiary of another entity, of Horizon s parent; or (4) an acquisition by any person, entity or group of beneficial ownership of at least 75% of the combined voting power entitled to vote in an election of Horizon s directors.

Releases. All termination-based payments (other than due to death or complete disability) to Mr. Walbert, Mr. De Vaere, Dr. Sherman and Mr. Smith pursuant to their employment agreements are contingent upon (1) the executive s execution of a standard release of claims in Horizon s favor and (2) the executive s entering into a non-competition agreement to be effective during the period during which the executive receives severance benefits.

Sections 280G and 4999. Any payment or benefit provided under Horizon s named executive officers employment agreements or otherwise in connection with a change in control may be subject to an excise tax under Section 4999 of the Code. These payments also may not be eligible for a company tax deduction pursuant to Section 280G of the Code. If any of these payments or benefits are subject to the excise tax, they may be reduced to provide the individual with the best after-tax result. Specifically, the individual will receive either a reduced amount so that the excise tax is not triggered, or the individual will receive the full amount of the payments and benefits and then be liable for any excise tax.

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The following table sets forth potential payments payable to Horizon s named executive officers upon a termination of employment without cause or resignation for good reason or termination of employment without cause or resignation for good reason following a change in control. The table below reflects amounts payable to Horizon s named executive officers assuming their employment was terminated on December 31, 2013 and, if applicable, a change in control also occurred on such date:

	Upon Termination Without Cause or Resignation for Good Reason No Change of Control					Upon Termination Without Cause or Resignation for Good Reason Change of Control(1)				
Name	Cash Severance	Continuation of Medical Benefits	Bonus	Value of Accelerated Vesting(2)	Total	Cash Severance	Continuation of Medical Benefits	Bonus	Value of Accelerated Vesting(2)	Total
Timothy P. Walbert	$ 644,100	$ 19,192	$ 386,460	$ 0	$ 1,049,752	$ 1,288,200	$ 19,192	$ 772,920	$ 1,816,692	$ 3,897,004
Robert J. De Vaere	$ 386,168	$ 19,252	$ 0	$ 0	$ 405,420	$ 386,168	$ 19,252	$ 154,467	$ 632,887	$ 1,192,774
Jeffrey W. Sherman	$ 408,234	$ 19,252	$ 0	$ 0	$ 427,486	$ 408,234	$ 19,252	$ 163,294	$ 605,432	$ 1,196,212
Todd N. Smith	$ 387,229	$ 19,252	$ 0	$ 0	$ 406,481	$ 387,229	$ 19,252	$ 154,892	$ 607,581	$ 1,168,954
Michael Adatto(3)					$ 0					$ 0

(1) Amounts in these columns assume that termination occurs within 90 days immediately preceding or during the 18 months immediately following a change in control.
(2) The value of accelerated vesting is equal to the closing stock price of $7.62 per share on December 31, 2013, multiplied by the number of shares subject to accelerated vesting, less the stock option exercise price, if applicable.
(3) Mr. Adatto terminated employment with Horizon on June 17, 2013.

Grants of Plan-Based Awards

The following table sets forth certain information regarding grants of non-equity incentive plan and equity incentive plan-based awards to Horizon s named executive officers for 2013:

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Target	All Other Stock Awards: Number of Shares of Stock or Units(#)	Grant Date Fair Value of Stock and Options Awards ($)(7)
Timothy P. Walbert	N/A	$ 441,870(1)		

	1/2/2013		128,700(5)	$	308,880
	12/5/2013		43,290(6)	$	297,402
Robert J. De Vaere	N/A	$ 187,460(2)			
	1/2/2013		45,000(5)	$	108,000
	12/5/2013		21,640(6)	$	148,667
Jeffrey W. Sherman	N/A	$ 198,172(3)			
	1/2/2013		45,000(5)	$	108,000
	12/5/2013		18,037(6)	$	123,914
Todd Smith	N/A	$ 187,975(4)			
	1/2/2013		55,000(5)	$	132,000
	12/5/2013		18,037(6)	$	123,914
Michael Adatto	1/2/2013		19,800(5)	$	47,520

(1) Mr. Walbert s target bonus for 2013 was $353,496 or 60% of his base salary. In December 2013, the compensation committee approved Mr. Walbert s bonus in the amount of $441,870, or 125% of his target bonus, which was paid in January 2014.

(2) Mr. De Vaere s target bonus for 2013 was $149,968 or 40% of his base salary. In December 2013, the compensation committee approved Mr. De Vaere s bonus in the amount of $187,460, or 125% of his target bonus, which was paid in January 2014.

(3) Dr. Sherman s target bonus for 2013 was $158,536 or 40% of his base salary. In December 2013, the compensation committee approved Dr. Sherman s bonus in the amount of $198,172, or 125% of his target bonus, which was paid in January 2014.

(4) Mr. Smith s target bonus for 2013 was $150,380 or 40% of his base salary. In December 2013, the compensation committee approved Mr. Smith s bonus in the amount of $187,975, or 125% of his target bonus, which was paid in January 2014.

(5) On January 2, 2013, the named executive officers were granted restricted stock units vesting in four equal annual installments beginning on the first anniversary of the grant date.

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(6) On December 5, 2013, the named executive officers were granted a fully vested deferred issuance of restricted stock units provided as a one-time bonus payment in connection with the completion of Horizon s acquisition of the U.S rights to VIMOVO.

(7) Amounts shown in this column do not reflect dollar amounts actually received by the named executive officers. Instead, these amounts reflect the grant date fair value of such awards and are calculated in accordance with the provisions of ASC Topic 718 and assume no forfeiture rate derived in the calculation of the grant date fair value of these awards. Assumptions used in the calculation of these amounts and further information on Horizon s restricted stock units are included in Note 17 Equity Incentive Plans in the notes to the consolidated financial statements included in this proxy statement/prospectus.

Outstanding Equity Awards at December 31, 2013

The following table sets forth certain information regarding outstanding stock options and restricted stock units held by Horizon s named executive officers on December 31, 2013.

	Option Awards						Stock Awards			
Name	Award Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested[5]	Market Value of Stock that Has Not Vested[7]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that Have Not Vested ($)
Timothy P. Walbert	7/16/2008	121,701[1][2]			$ 10.43	7/15/2018				
	2/3/2010	123,564[3]	5,373[3]		$ 5.20	2/2/2020				
	6/16/2010	98,688[3]	14,099[3]		$ 12.94	6/15/2020				
	12/8/2011	108,477[4]	108,478[4]		$ 4.96	12/7/2021	66,421	$ 506,128		
	1/2/2013	33,687[4]	113,313[4]		$ 2.40	1/1/2023	128,700	980,694		
	12/5/2013				$ 6.87	12/4/2023	43,290[6]	329,870		
		486,117	241,263				238,411	$ 1,816,692		$
Robert J. De Vaere	10/6/2008	46,335[1][2]			$ 10.43	10/5/2018				
	2/3/2010	45,668[3]	1,986[3]		$ 5.20	2/2/2020				

	6/16/2010	37,008(3)	5,287(3)	$ 12.94	6/5/2020				
	12/8/2011	26,810(4)	26,811(4)	$ 4.96	12/7/2021	16,416	$	125,090	
	1/2/2013	11,687(4)	39,313(4)	$ 2.40	1/1/2023	45,000		342,900	
	12/5/2013			$ 6.87	12/4/2023	21,640(6)		164,897	
		167,508	73,397			83,056	$	632,887	$
Jeffrey W. Sherman	6/23/2009	46,335(1)(2)		$ 13.47	6/22/2019				
	2/3/2010	45,668(3)	1,986(3)	$ 5.20	2/2/2020				
	6/16/2010	37,008(3)	5,287(3)	$ 12.94	6/15/2020				
	12/8/2011	26,810(4)	26,811(4)	$ 4.96	12/7/2021	16,416	$	125,090	
	1/2/2013	11,687(4)	39,313(4)	$ 2.40	1/1/2023	45,000		342,900	
	12/5/2013			$ 6.87	12/4/2023	18,037(6)		137,442	
		167,508	73,397			79,453	$	605,432	$
Todd Smith	12/2/2010	15,005(2)	3,950(2)	$ 20.78	12/1/2020				
	12/8/2011	10,940(4)	10,940(4)	$ 4.96	12/7/2021	6,698	$	51,039	
	1/2/2013	13,979(4)	47,021(4)	$ 2.40	1/1/2023	55,000		419,100	
	12/5/2013			$ 6.87	12/4/2023	18,037(6)		137,442	
		39,924	61,911			79,735	$	607,581	
Michael Adatto(8)									

(1) The initial grant for each officer is early exercisable; as such, 100% of the option award is exercisable.
(2) 1/4th of the shares vest one year after the vesting commencement date and 1/48th of the shares vest monthly thereafter over the next three years. The options reflected in the table have the following vesting commencement dates: Mr. Walbert June 30, 2008, Mr. De Vaere October 6, 2008, Dr. Sherman June 29, 2009 and Mr. Smith October 1, 2010.
(3) 1/4th of the shares vest one year after the vesting commencement date, which is the same date as the grant date, and 1/48th of the shares vest monthly thereafter over the next three years.
(4) 1/48th of the shares vest in equal monthly installments over the four years following the vesting commencement date, which is the grant date.

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(5) Stock awards represent restricted stock units granted and vest in four equal annual installments commencing on the anniversary of the grant date.
(6) Represents restricted stock units that are fully vested but are subject to delayed issuance. As of December 31, 2013, the underlying shares had not yet been issued.
(7) The market value of stock awards that have not vested is based on the closing stock price of Horizon s common stock of $7.62 per share on December 31, 2013.
(8) Mr. Adatto terminated employment with Horizon on June 17, 2013.

Option Exercises and Stock Vested

The following table sets forth certain information regarding option exercises and stock vested for Horizon s named executive officers for the fiscal year ended December 31, 2013. Mr. Walbert and Mr. Smith each sold shares of Horizon s common stock pursuant to a trading plan established under Rule 10b5-1 to satisfy certain withholding tax obligations.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**
Timothy P. Walbert			43,290(1)	$ 297,402
			33,210(2)	$ 224,832
Robert J. De Vaere			21,640(1)	$ 148,667
			8,208(2)	$ 55,568
Jeffrey W. Sherman			18,037(1)	$ 123,914
			8,208(2)	$ 55,568
Todd Smith			18,037(1)	$ 123,914
			3,350(2)	$ 22,680
Michael Adatto(3)				

(1) Represents a fully vested deferred issuance of restricted stock units granted on December 5, 2013 to Horizon s named executive officers which was provided as a one-time bonus payment in connection with the completion of Horizon s acquisition of the U.S rights to VIMOVO.
(2) Represents restricted stock units granted on December 8, 2011, vesting over 4 annual installments.
(3) Mr. Adatto terminated employment with Horizon on June 17, 2013.

Option Repricings

Horizon did not engage in any repricings or other modifications to any of its named executive officers outstanding equity awards during the year ended December 31, 2013.

Pension Benefits

None of Horizon s named executive officers participate in or have account balances in qualified or non-qualified defined benefit plans sponsored by it. Horizon s compensation committee may elect to adopt qualified or non-qualified benefit plans in the future if it determines that doing so is in Horizon s best interests.

Nonqualified Deferred Compensation

None of Horizon s named executive officers participate in or have account balances in nonqualified deferred contribution plans or other nonqualified deferred compensation plans maintained by Horizon. Our compensation committee may elect to provide Horizon executive officers and other employees with non-qualified defined contribution or other nonqualified deferred compensation benefits in the future if it determines that doing so is in its best interests.

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Other Benefits

Horizon s named executive officers are eligible to participate in all of Horizon s employee benefit plans, such as medical, dental, vision, group life and disability insurance and its 401(k) plan, in each case on the same basis as its other employees.

Non-Employee Director Compensation

Horizon s board of directors adopted a compensation policy for its non-employee directors who are not affiliated with any holder of more than 5% of Horizon s common stock, which became effective upon Horizon s initial public offering in July 2011.

Effective August 1, 2012, Horizon s board of directors approved an amendment to the non-employee director compensation policy providing for an annual board service retainer, payable in quarterly installments, of $50,000 for a non-executive chairman of the board of directors or lead independent director and $40,000 for all other eligible non-employee directors, and committee member service fees ranging from $3,750 to $20,000 per year. On December 14, 2012, Horizon s board of directors approved a further amendment to the non-employee director compensation policy providing that eligible non-employee directors elected to the board of directors would receive a stock option grant for 40,000 shares, vesting in equal installments over 36 month from the date of grant. Thereafter, at each Special Meeting of Horizon s stockholders, eligible non-employee directors would automatically receive stock option grants of 20,000 shares, vesting in equal installments over 12 months from the date of grant.

Also, Horizon has reimbursed and will continue to reimburse its directors for their travel-related expenses, including lodging and other reasonable expenses incurred in attending meetings of Horizon s board of directors and committees of the board of directors.

The following table sets forth compensation information for Horizon s non-employee directors who earned or received compensation under its non-employee director compensation policy in 2013:

Name	Fees Earned or Paid in Cash	Stock Awards(1)	Total
Ronald Pauli	$ 65,000	$ 117,296	$ 182,296
Michael Grey	$ 65,000	$ 117,296	$ 182,296
Gino Santini	$ 57,500	$ 117,296	$ 174,796
Jeffrey Bird, M.D., Ph.D.	$ 32,813	$ 117,296	$ 150,109

(1) The amounts shown in this column reflect the grant date fair value of option awards issued to Horizon s non-employee directors during 2013, calculated in accordance with the provisions of ASC Topic 718 and assumes no forfeiture rate. See the assumptions used in the Black-Scholes model in the notes to the audited financial statements included in the proxy statement/prospectus for the year ended December 31, 2013.

Limitation of Liability and Indemnification

Horizon s amended and restated certificate of incorporation limits the liability of directors to the maximum extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except for liability for any:

breach of their duty of loyalty to the corporation or its stockholders;

act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;

unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or

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transaction from which the directors derived an improper personal benefit.

Horizon s amended and restated certificate of incorporation does not eliminate a director s duty of care and, in appropriate circumstances, equitable remedies, such as injunctive or other forms of non-monetary relief, which remain available under Delaware law. These limitations also do not affect a director s responsibilities under any other laws, such as the federal securities laws or other state or federal laws. Horizon s amended and restated bylaws provide that it will indemnify its directors and officers, and may indemnify employees and other agents, to the extent not prohibited by law. Horizon s amended and restated bylaws also provide that its is obligated to advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding and also permit Horizon to secure insurance on behalf of any officer, director, employee or other agent required or permitted to be indemnified by its amended and restated bylaws. Horizon has obtained a policy of directors and officers liability insurance.

Horizon has entered, and intends to continue to enter, into separate indemnification agreements with its directors and executive officers, in addition to the indemnification provided for in its amended and restated bylaws. These agreements, among other things, require Horizon to indemnify its directors and executive officers for certain expenses, including attorneys fees, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of their services as one of Horizon s directors or executive officers, or any of its subsidiaries or any other company or enterprise to which the person provides services at its request. Horizon believes that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

The limitation of liability and indemnification provisions in Horizon s amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit Horizon and its stockholders. A stockholder s investment may be harmed to the extent Horizon pays the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

At present, there is no pending litigation or proceeding involving any of Horizon s directors or executive officers as to which indemnification is required or permitted, and Horizon is not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

Certain Relationships and Related Transactions

Policies and Procedures for Transactions with Related Persons

Horizon has adopted a written Related-Person Transactions Policy that sets forth Horizon s policies and procedures regarding the identification, review, consideration, approval and oversight of related-person transactions. For purposes of Horizon s policy only, a related-person transaction is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which Horizon and any related person are participants, the amount involved exceeds $120,000 and a related person has a direct or indirect material interest. Transactions involving compensation for services provided to Horizon as an employee, director, consultant or similar capacity by a related person are not covered by this policy. A related person is any executive officer, director or nominee to become director, a holder of more than 5% of Horizon s common stock, including any immediate family members of such persons or any entity owned or controlled by such persons. Any related-person transaction may only be consummated if Horizon s Audit Committee has approved or ratified the transaction in accordance with the policy guidelines set forth below.

The policy imposes an affirmative duty upon each director and executive officer to identify, and Horizon will request that significant stockholders identify, any transaction involving them, their affiliates or family members that may be considered a related-party transaction before such person engages in the transaction. Under the policy, where a transaction has been identified as a related-person transaction, management must present information regarding the proposed related-person transaction to Horizon s Audit Committee (or, where review by Horizon s Audit Committee would be inappropriate, to another independent body of the Board of Directors)

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for review. The presentation must include a description of, among other things, the material facts, the direct and indirect interests of the related persons, the benefits of the transaction to Horizon and whether any alternative transactions are available. In considering related-person transactions, Horizon s Audit Committee takes into account the relevant available facts and circumstances including, but not limited to:

- the risks, costs and benefits to Horizon;
- the impact on a director s independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- the terms of the transaction;
- the terms available to or from, as the case may be, unrelated third parties or to or from our employees generally; and
- the availability of other sources for comparable services or products.

In the event a director has an interest in the proposed transaction, the director must recuse himself or herself from the deliberations and approval process. Before the adoption of Horizon s Related-Person Transactions Policy, Horizon did not have a formal policy concerning transactions with related persons.

Certain Related Transactions

The following current directors are affiliated with Horizon s principal stockholders as indicated in the table below:

Director	**Principal Stockholder**
Jeff Himawan, Ph.D.	Essex Woodlands Health Ventures Fund VII, L.P.

Horizon describes below transactions and series of similar transactions, since