

ADC TELECOMMUNICATIONS INC
Form 10-Q
March 12, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒

**QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended January 31, 2004

OR

☐

**TRANSACTION REPORT PURSUANT TO SECTION 13 or
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from N/A to N/A

Commission file number 0-1424

ADC Telecommunications, Inc.

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction of incorporation or
organization)

41-0743912

(I.R.S. Employer Identification No.)

13625 Technology Drive, Eden Prairie, MN 55344-2252

(Address of principal executive offices) (Zip code)

(952) 938-8080

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES ☒

NO ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

YES ☒

NO ☐

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, \$.20 par value: 807,277,031 shares as of March 8, 2004

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ADC TELECOMMUNICATIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS UNAUDITED

(In millions)

	January 31, 2004	October 31, 2003
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 724.6	\$ 718.0
Available-for-sale securities	25.0	26.7
Accounts receivable, net	97.3	99.8
Unbilled revenue	27.1	30.6
Inventories, net	68.6	66.3
Assets of discontinued operations	23.4	21.6
Prepaid and other current assets	53.4	48.4
Total current assets	1,019.4	1,011.4
PROPERTY AND EQUIPMENT, NET	182.7	190.6
ASSETS HELD FOR SALE	20.5	25.1
RESTRICTED CASH	16.0	15.8
AVAILABLE-FOR-SALE SECURITIES	17.1	19.5
OTHER ASSETS	34.4	38.2
Total assets	\$ 1,290.1	\$ 1,300.6
LIABILITIES AND SHAREOWNERS INVESTMENT:		
CURRENT LIABILITIES:		
Accounts payable	\$ 49.2	\$ 46.4
Accrued compensation and benefits	45.0	52.8
Restructuring accrual	25.6	29.3

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Other accrued liabilities	103.7	111.7
Liabilities of discontinued operations	23.4	25.7
Notes payable	7.5	8.3
Total current liabilities	254.4	274.2
LONG-TERM NOTES PAYABLE	400.0	400.0
OTHER LONG-TERM LIABILITIES	2.5	2.5
Total liabilities	656.9	676.7
SHAREOWNERS INVESTMENT (807.7 and 806.6 shares outstanding, respectively)	633.2	623.9
Total liabilities and shareowners investment	\$ 1,290.1	\$ 1,300.6

See accompanying notes to condensed consolidated financial statements.

ADC TELECOMMUNICATIONS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS UNAUDITED

(In millions, except per share amounts)

	Three Months Ended January 31,	
	2004	2003
NET SALES:		
Product	\$ 123.9	\$ 146.5
Service	44.6	48.1
TOTAL NET SALES	168.5	194.6
COST OF SALES:	64.5	83.1
Product	37.7	42.4
Service	102.2	125.5
TOTAL COST OF SALES		
GROSS PROFIT	66.3	69.1
OPERATING EXPENSES:		
Research and development	21.7	30.3
Selling and administration	42.1	61.4
Impairment charges		10.3
Restructuring charges	6.9	8.2
Total Operating Expenses	70.7	110.2
OPERATING LOSS	(4.4)	(41.1)
OTHER INCOME (EXPENSE), NET	7.8	(0.5)
INCOME (LOSS) BEFORE INCOME TAXES	3.4	(41.6)
PROVISION (BENEFIT) FOR INCOME TAXES		
INCOME (LOSS) FROM CONTINUING OPERATIONS	3.4	(41.6)
DISCONTINUED OPERATIONS, NET OF TAX:		
(Loss) Income from discontinued operations	(2.2)	0.1
Loss on divestiture of subsidiary	(3.6)	18
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QUESTIONS AND ANSWERS

Except where specifically noted, the following information and all other information contained in this document does not give effect to the proposed reverse stock split described in McDermott Proposal No. 1.

*The following are answers to some questions that you, as a stockholder of McDermott International, Inc., a Panamanian corporation (which we refer to as **McDermott**), or as a shareholder of Chicago Bridge & Iron Company N.V., a public company with limited liability incorporated under the laws of the Netherlands (which we refer to as **CB&I**), may have regarding the proposed transactions between McDermott and CB&I. You are urged to read this entire document carefully, including its annexes and the other documents referenced herein in their entirety, because this section may not provide all of the information that is important to you with respect to the Combination (as defined herein), the Business Combination Agreement (as defined herein), McDermott, CB&I and the other parties to the Business Combination Agreement. Additional important information is contained in the annexes to, and the documents incorporated by reference into, this document. You may obtain the information incorporated by reference into this document without charge by following the instructions under the section entitled **Where You Can Find More Information** beginning on page 219 of this document. Unless the context otherwise requires, references to **shareholders** refer to those who on the record date are, and are registered in the CB&I Share Register (as defined below) as holders of shares of CB&I Common Stock or others with meeting rights under Dutch law with respect to shares of CB&I Common Stock.*

About the Combination

Q: Why am I receiving these materials?

A: You are receiving these materials because you were a stockholder of record or shareholder of record, as applicable, of either McDermott, CB&I or both on the respective record date for the McDermott Special Meeting or the CB&I Special General Meeting referred to below. McDermott and CB&I have agreed to combine their businesses by a series of transactions (and subject to the terms and conditions of the Business Combination Agreement) described in this document and referred to as the **Core Transactions**, preceded by the Exchange Offer (as defined herein). A copy of the Business Combination Agreement, as amended, is attached as Annex A-1 and Annex A-2 to this document. Both the series of transactions and the Exchange Offer will result in the same consideration for CB&I's shareholders, except that the receipt of shares of McDermott Common Stock and cash in lieu of fractional shares pursuant to the Liquidation generally will be subject to Dutch dividend withholding tax under the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) to the extent the Liquidation Distribution (as defined herein) exceeds the average paid-in capital recognized for Dutch dividend withholding tax purposes of the shares of CB&I Newco common stock (the **Dutch Dividend Withholding Tax**).

This document is a prospectus that will be used in connection with the offer by McDermott Technology, B.V., a company organized under the laws of the Netherlands (**McDermott Bidco**), to exchange each share of common stock, par value EUR 0.01, of CB&I (**CB&I Common Stock**) for a specified number of shares of common stock, par value \$1.00 per share, of McDermott (**McDermott Common Stock**) and is a joint proxy statement/prospectus that:

will be used in connection with the special meeting of stockholders of McDermott being held on May 2, 2018 (the **McDermott Special Meeting**) and the special general meeting of shareholders of CB&I being held

on May 2, 2018 (the CB&I Special General Meeting);

constitutes a prospectus of Comet I B.V., a company organized under the laws of the Netherlands and a direct wholly owned subsidiary of CB&I (CB&I Newco), with respect to the shares of common stock of CB&I Newco to be allotted by CB&I Newco as a result of the Merger (as defined herein) in accordance with the Merger Proposal (as defined herein); and

constitutes a prospectus of McDermott with respect to the shares of common stock of McDermott to be allotted upon exchange of an exchangeable note in connection with the Liquidation (as defined herein);

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This document contains important information about the Combination and the transactions comprising it, the Business Combination Agreement, and the McDermott Special Meeting and the CB&I Special General Meeting, and you should read it carefully. The enclosed voting materials allow you to vote your shares without attending a special meeting.

Q: What is the Combination?

A: McDermott and CB&I, together with the other parties thereto, have entered into a Business Combination Agreement, pursuant to which CB&I will combine with McDermott through a series of transactions referred to as the Core Transactions preceded by the Exchange Offer (such series of transactions, together with the Exchange Offer, the Combination). Subject to the terms and conditions of the Business Combination Agreement, the Combination will occur as follows:

McDermott Bidco will launch an offer to exchange (the Exchange Offer) any and all issued and outstanding shares of CB&I Common Stock for shares of McDermott Common Stock at the Exchange Offer Ratio (as defined herein), with the completion of the Exchange Offer to occur prior to the Merger Effective Time (as defined herein);

Certain subsidiaries of McDermott will complete an acquisition transaction (the CB&I Technology Acquisition) no later than immediately prior to the time at which McDermott Bidco accepts all shares of CB&I Common Stock validly tendered and not properly withdrawn in the Exchange Offer (the Exchange Offer Effective Time), pursuant to which they will acquire for cash the equity of certain CB&I subsidiaries that own CB&I s technology business, and the cash proceeds paid in the CB&I Technology Acquisition will be used to repay certain existing debt of CB&I;

McDermott Bidco will complete the Exchange Offer;

Promptly following the Exchange Offer Effective Time, CB&I, CB&I Newco and Comet II B.V., a company organized under the laws of the Netherlands and a direct wholly owned subsidiary of CB&I Newco referred to as CB&I Newco Sub, will complete a merger transaction (the Merger), pursuant to which CB&I will merge with and into CB&I Newco Sub, with: (1) CB&I Newco Sub continuing as a wholly owned subsidiary of CB&I Newco; (2) all holders of shares of CB&I Common Stock becoming shareholders of CB&I Newco; and (3) McDermott Bidco becoming a shareholder of CB&I Newco, as a result of any shares it will have validly accepted for exchange in the Exchange Offer being exchanged for shares of CB&I Newco pursuant to the terms of the Merger;

McDermott Bidco and CB&I Newco will complete a share purchase and sale transaction, as a result of which CB&I Newco Sub will become an indirect subsidiary of McDermott through the sale of all of the outstanding shares in the capital of CB&I Newco Sub to McDermott Bidco in exchange for an Exchangeable Note (as defined herein); and

CB&I Newco will be dissolved and liquidated (the Liquidation), as a result of which former CB&I shareholders that become CB&I Newco shareholders in the Merger will receive shares of McDermott Common Stock allotted upon the mandatory exchange of the Exchangeable Note, subject to applicable withholding taxes, including the Dutch Dividend Withholding Tax.

As a result of the Core Transactions, shareholders of CB&I who do not validly tender in (or who properly withdraw their shares of CB&I Common Stock from) the Exchange Offer and, as a result of the Merger, become CB&I Newco shareholders, will be entitled to receive, in respect of each former share of CB&I Common Stock, upon completion of the Liquidation, 2.47221 shares of common stock, par value \$1.00 of McDermott (McDermott Common Stock), or, if the McDermott Reverse Stock Split (as defined below) has occurred prior to the date on which the Exchange Offer Effective Time (as defined below) occurs, 0.82407 shares of McDermott Common Stock, together with cash in lieu of fractional shares. The consideration per share of CB&I Common Stock to be received pursuant to the Core Transactions is the same as the Exchange Offer Ratio, except that the receipt of shares of McDermott Common Stock and cash

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in lieu of fractional shares pursuant to the Liquidation generally will be subject to Dutch Dividend Withholding Tax.

Q: What will happen to CB&I as a result of the Combination?

A: If the Combination is completed, CB&I will cease to exist after the Merger and CB&I Newco Sub, the surviving company in the Merger, will become a wholly owned subsidiary of McDermott. As a result of the Combination, CB&I will no longer be a publicly held company. Following the Combination, CB&I intends to delist the CB&I Common Stock from the New York Stock Exchange (NYSE) and deregister the CB&I Common Stock under the Securities Exchange Act of 1934, as amended (the Exchange Act).

Q: Is the completion of the Combination subject to any conditions?

A: Yes. In addition to the approval of certain resolutions by McDermott stockholders and CB&I shareholders, completion of the Combination requires the receipt of certain governmental and regulatory approvals and the satisfaction or, to the extent permitted by applicable law, waiver of the other conditions specified in the Business Combination Agreement.

Q: When do you expect to complete the Combination?

A: McDermott and CB&I are working to complete the Combination as promptly as practicable. McDermott and CB&I currently expect to complete the Combination in the second quarter of 2018, subject to regulatory approvals, approval of certain resolutions by McDermott's stockholders and CB&I's shareholders and other customary closing conditions. However, no assurance can be given as to when, or if, the Combination will occur.

Q: What happens if the Combination is not completed?

A: If the resolutions necessary to effectuate the Business Combination Agreement are not approved by McDermott stockholders or CB&I shareholders or if the Combination is not completed for any other reason, CB&I shareholders will not receive shares of McDermott Common Stock in exchange for their CB&I Common Stock in connection with the Business Combination Agreement. Instead, CB&I will remain a public company and CB&I Common Stock will continue to be registered under the Exchange Act and traded on the NYSE.

If the Business Combination Agreement is terminated under specified circumstances, McDermott or CB&I may be required to pay the other party a termination fee of \$60 million as described under The Business Combination Agreement Termination, Amendment and Waiver beginning on page 149 of this document.

Q: What do CB&I shareholders receive if the Combination is completed?

- A: For each share of CB&I Common Stock, whether exchanged in the Exchange Offer or as part of the Merger and Liquidation, CB&I shareholders will be entitled to receive 2.47221 shares of McDermott Common Stock (or 0.82407 shares of McDermott Common Stock, if the proposed reverse stock split described in McDermott Proposal No. 1 is completed), plus cash in lieu of any fractional shares, less any applicable withholding taxes (the Per Share Consideration).

Q: How do I calculate the value of the Combination consideration?

- A: Because McDermott will issue a fixed number of shares of McDermott Common Stock as the Per Share Consideration, the value of the Per Share Consideration will depend on the price per share of McDermott

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Common Stock at the time the Combination is completed. That price will not be known at the time of the CB&I Special General Meeting or McDermott Special Meeting and may be greater or less than the current price of the McDermott Common Stock or the price of shares of McDermott Common Stock at the time of the CB&I Special General Meeting or the McDermott Special Meeting. The market price of the McDermott Common Stock will fluctuate prior to the Combination, and the market price of the shares of McDermott Common Stock when received by CB&I shareholders after the Combination is completed could be greater or less than the current market price of the McDermott Common Stock. See **Risk Factors** beginning on page 25 of this proxy statement/prospectus.

Based on the closing price of the McDermott Common Stock on the NYSE on December 18, 2017, the last trading day before the public announcement of the Business Combination Agreement, the Per Share Consideration was \$18.76 per share of CB&I Common Stock. Based on the closing price of the McDermott Common Stock on the NYSE on March 26, 2018, the most recent practicable trading day prior to the date of this document, the Per Share Consideration was \$16.71 per share of CB&I Common Stock. We urge you to obtain current market quotations of McDermott Common Stock and CB&I Common Stock.

Q: Are CB&I shareholders entitled to appraisal rights?

A: Neither CB&I shareholders nor CB&I Newco shareholders are entitled under Dutch law or otherwise to appraisal or dissenters' rights related to the CB&I Common Stock or CB&I Newco common stock in connection with the Combination.

McDermott stockholders are not entitled to appraisal or dissenters' rights with respect to the McDermott Reverse Stock Split.

Q: What are the material tax consequences of the Combination?

A: Although McDermott and CB&I have agreed to use commercially reasonable efforts to cause the Merger and the related elements of the Combination, taken together, to qualify as one or more reorganizations within the meaning of Section 368(a) of the Internal Revenue Code, there can be no assurance that the Merger and related elements of the Combination will so qualify. In addition, the completion of the Combination is not conditioned on qualification as a reorganization or upon the receipt of an opinion of counsel or IRS ruling to that effect. U.S. holders (as defined under **Material Tax Consequences of the Combination**) of shares of CB&I Common Stock will be required to recognize gain for U.S. federal income tax purposes on the receipt of shares of McDermott Common Stock if the Merger and related elements of the Combination, taken together, fail to qualify as one or more reorganizations within the meaning of Section 368(a) of the Internal Revenue Code.

In addition, holders of CB&I Common Stock who receive shares of McDermott Common Stock and cash in lieu of fractional shares pursuant to the Liquidation (rather than the Exchange Offer) generally will be subject to Dutch Dividend Withholding Tax.

Q: What happens to CB&I equity awards?

- A: At the Merger Effective Time, all outstanding unexercised options to purchase shares of CB&I Common Stock (CB&I Options) will immediately vest and be converted into options to purchase shares of McDermott Common Stock with the duration and terms of such converted options to remain generally the same as the original CB&I Options. The number of shares of McDermott Common Stock subject to each converted option will be determined by multiplying the number of shares of CB&I Common Stock subject to the original CB&I Option by the Exchange Offer Ratio, rounded down to the nearest whole share. The option exercise price per share of McDermott Common Stock will be equal to the option exercise price per share of CB&I Common Stock under the original CB&I Option divided by the Exchange Offer Ratio, rounded up to the nearest whole cent.

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At the Merger Effective Time, each outstanding award of performance shares relating to CB&I Common Stock (each, a CB&I Performance Share Award) will be canceled and converted into the right to receive cash, without interest and less applicable withholding taxes, in an amount equal to (1) the product of (a) the Exchange Offer Ratio, (b) the target number of shares of CB&I Common Stock subject to the CB&I Performance Share Award and (c) the closing price for a share of McDermott Common Stock on the business day immediately preceding the date of the closing of the Combination plus (2) an amount equal to any dividend equivalents associated with the CB&I Performance Share Award at that time.

At the Merger Effective Time: (1) each outstanding restricted stock unit award granted by CB&I (CB&I Restricted Stock Unit Awards) that is held by a non-employee member of the CB&I Supervisory Board (whether or not vested); (2) each vested CB&I Restricted Stock Unit Award held by a member of a specific group of executive officers of CB&I that has not been settled; (3) each CB&I Restricted Stock Unit Award that vests in accordance with its terms as result of the Combination; and (4) each vested share of CB&I Common Stock deferred pursuant to any CB&I equity compensation plan, will, in each case, be converted into a right to receive (a) a number of shares of McDermott Common Stock equal to the product of (i) the number of shares of CB&I Common Stock subject to the original CB&I award and (ii) the Exchange Offer Ratio, rounded to the nearest whole number of shares, plus (b) cash in an amount equal to any dividend equivalents associated with the CB&I Restricted Stock Unit Award at that time, subject to applicable withholding taxes.

At the Merger Effective Time, each other outstanding CB&I Restricted Stock Unit Award will be converted into a right to receive an award of restricted stock units that will be settled in McDermott Common Stock with substantially the same terms as the original CB&I award, including the vesting schedule and any conditions and restrictions on receipt. The number of shares of McDermott Common Stock subject to the converted restricted stock unit award will be determined by multiplying the number of shares of CB&I Common Stock subject to the original CB&I Restricted Stock Unit Award by the Exchange Offer Ratio, rounded to the nearest whole number of shares. The transactions contemplated by the Business Combination Agreement will not be considered a change in control for purposes of any award of CB&I Restricted Stock Units granted on or after December 18, 2017.

The CB&I Employee Stock Purchase Plan and Supervisory Board Stock Purchase Plan were suspended effective January 1, 2018, and such plans will be terminated effective as of, and contingent upon, the Merger Effective Time.

Q: Will the shares of McDermott Common Stock received in consideration for shares of CB&I Common Stock be traded on an exchange?

A: It is a condition to the consummation of the Combination that the shares of McDermott Common Stock to be issued to CB&I shareholders in the Exchange Offer and the Combination be approved for listing on the NYSE, subject to official notice of issuance.

About the Special Meetings

About the McDermott Special Meeting

Q: What are the proposals on which McDermott stockholders are being asked to vote?

A: McDermott stockholders are being asked to consider and vote on a proposal to adopt a resolution providing for an amendment to the McDermott amended and restated articles of incorporation (the McDermott Articles) (1) to effect a 3-to-1 reverse stock split of the McDermott Common Stock (the McDermott Reverse Stock Split) and (2) to decrease the authorized shares of McDermott Common Stock to 255,000,000 shares (the McDermott Reverse Stock Split Articles Amendment Resolution).

McDermott stockholders are also being asked to consider and vote on a proposal to adopt a resolution providing for an amendment to the McDermott Articles (the McDermott Authorized Capital Articles

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Amendment) to increase the authorized shares of McDermott Common Stock to 765,000,000 shares (the McDermott Authorized Capital Articles Amendment Resolution). If adopted, the McDermott Authorized Capital Articles Amendment Resolution will only become effective if the McDermott Reverse Stock Split Articles Amendment Resolution is not adopted at the McDermott Special Meeting.

McDermott stockholders are also being asked to consider and vote on a proposal to issue shares of McDermott Common Stock in connection with the Exchange Offer and the Core Transactions, including the issuance pursuant to the Exchangeable Note, under the terms of the Business Combination Agreement (the McDermott Stock Issuance).

Finally, McDermott stockholders are being asked to consider and vote on a proposal to approve any motion to adjourn the McDermott Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the McDermott Stock Issuance proposal and either the McDermott Reverse Stock Split Articles Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution (the McDermott Meeting Adjournment).

Q: Does my vote matter?

A: Yes, your vote is very important. We encourage you to vote as soon as possible.

The Combination cannot be completed unless the McDermott stockholders approve the McDermott Stock Issuance and either the McDermott Reverse Stock Split Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution.

Q: How many votes are required to approve each proposal.

A: The affirmative vote of the holders of a majority of the shares of McDermott Common Stock outstanding and entitled to vote at the McDermott Special Meeting (meaning that, of the shares of McDermott Common Stock outstanding, excluding treasury shares, a majority must be voted FOR the proposal) is required to approve each of the McDermott Reverse Stock Split Articles Amendment Resolution and the McDermott Authorized Capital Articles Amendment Resolution.

The affirmative vote of the holders of a majority of the votes cast on the matter by holders of shares of McDermott Common Stock present in person or represented by proxy at the McDermott Special Meeting (meaning the number of shares voted FOR the proposal must exceed the number of shares voted AGAINST such proposal plus abstentions) is required to approve the McDermott Stock Issuance proposal.

The affirmative vote of the holders of a majority of the shares of McDermott Common Stock present in person or represented by proxy at the meeting, whether or not a quorum is present, is required to approve the McDermott Meeting Adjournment.

Q: How does the McDermott Board of Directors recommend that I vote at the McDermott Special Meeting?

- A: The McDermott Board of Directors (the "McDermott Board") has, by a vote of eight to one: (1) determined that the Core Transactions and the Exchange Offer and the other transactions contemplated by the Business Combination Agreement are in the best interests of McDermott and the McDermott stockholders, that it is in the best interests of McDermott and the McDermott stockholders to enter into the Business Combination Agreement; (2) adopted and approved the Business Combination Agreement and McDermott's execution, delivery and performance of the Business Combination Agreement and the consummation of the transactions contemplated by the Business Combination Agreement, including the McDermott Reverse Stock Split Articles Amendment, the McDermott Authorized Capital Articles Amendment and the McDermott Stock Issuance; and (3) resolved to recommend that the McDermott stockholders approve the McDermott Stock Issuance and adopt the McDermott Reverse Stock Split Articles Amendment and the McDermott Authorized Capital Articles Amendment.

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Accordingly, the McDermott Board recommends that McDermott stockholders vote:

FOR the McDermott Reverse Stock Split Articles Amendment Resolution;

FOR the McDermott Authorized Capital Articles Amendment Resolution;

FOR the McDermott Stock Issuance proposal; and

FOR the McDermott Meeting Adjournment proposal.

Stephen G. Hanks, the dissenting director, did not vote in favor of the transaction due in large part to his stated belief that the business operated by CB&I is inherently subject to the types of problems that CB&I has been experiencing recently in connection with its four significant contracts that have negatively impacted CB&I's results of operations in recent periods. See McDermott's Reasons for the Combination; Recommendation of the McDermott Board Views of Dissenting Director.

Q: When and where is the McDermott Special Meeting?

A: The McDermott Special Meeting will take place on May 2, 2018, at 9:00 a.m., Central Daylight Saving Time, at the offices of Baker Botts L.L.P., 910 Louisiana, 32nd floor, Houston, Texas.

Q: Who is entitled to vote at the McDermott Special Meeting?

A: If you were a stockholder of record, meaning that you were a registered stockholder with McDermott's transfer agent and registrar, Computershare Trust Company, N.A., on April 4, 2018, the record date for the McDermott Special Meeting established by the McDermott Board (the McDermott Record Date), you may vote your shares on the matters to be considered by McDermott's stockholders at the McDermott Special Meeting. If your shares were held by a bank, broker, trust company or other nominee (that is, in street name) on that date, the broker or other nominee that was the record holder of your shares has the authority to vote them at the McDermott Special Meeting. You should follow the instructions provided by them to vote your shares.

Q: How many votes do I have?

A: You are entitled to one vote for each share of McDermott Common Stock that you owned as of the close of business on the McDermott Record Date. As of the close of business on March 26, 2018, there were approximately 285.9 million outstanding shares of McDermott Common Stock.

Q: How do I vote?

A: Stockholders of record may vote in person by attending the McDermott Special Meeting, or by telephone, Internet or mail. If you are voting by mail, please sign, date and return the enclosed proxy card. If you are voting by telephone or Internet, please follow the instructions on the enclosed proxy card. Whether or not you plan to attend the McDermott Special Meeting, we encourage you to vote by proxy as soon as possible. If your shares are held in the name of a bank, broker, trust company or other nominee, follow the instructions you receive from your nominee on how to vote your shares. If you hold your shares in more than one type of account or your shares are registered differently, you may receive more than one proxy card. We encourage you to vote each proxy card that you receive.

If you choose to attend the McDermott Special Meeting in person, a government-issued picture identification will be required to enter the McDermott Special Meeting. If you are the representative of a corporate or institutional stockholder, you must present valid photo identification along with proof that you are the representative of such stockholder. If your shares are held by a bank, broker, trust company or other nominee, you will be required to present evidence of your ownership of shares, which you can obtain from your broker, bank, trust company or other nominee.

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Q: How will my shares be voted?

A: If you vote by proxy, the individuals named on the proxy card (your proxies) will vote your shares in the manner you indicate.

If you sign and return your proxy card without indicating your voting instructions, your shares will be voted **FOR** the adoption of the McDermott Reverse Stock Split Articles Amendment Resolution, the adoption of the McDermott Authorized Capital Articles Amendment Resolution, the adoption of the McDermott Stock Issuance proposal and the adoption of the McDermott Meeting Adjournment proposal, if necessary to solicit additional proxies.

Q: What if my shares are held by a broker?

A: If your shares of McDermott Common Stock are held in street name, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank, broker, trust company or other nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to McDermott or by voting in person at the McDermott Special Meeting unless you provide a legal proxy, which you must obtain from your bank, broker, trust company or other nominee.

If you do not instruct your bank, broker, trust company or other nominee on how to vote your shares, your nominee may not vote your shares on: (1) the proposal to adopt the McDermott Reverse Stock Split Articles Amendment Resolution (which will have the same effect as a vote **AGAINST** adoption of the McDermott Reverse Stock Split Articles Amendment Resolution); (2) the proposal to adopt the McDermott Authorized Capital Articles Amendment Resolution (which will have the same effect as a vote **AGAINST** adoption of the McDermott Authorized Capital Articles Amendment Resolution); (3) the adoption of the McDermott Stock Issuance proposal (which, assuming the presence of a quorum, will have no effect on the adoption of the McDermott Stock Issuance proposal); or (4) the adoption of the McDermott Meeting Adjournment proposal (which will have the same effect as a vote **AGAINST** adoption of the McDermott Meeting Adjournment proposal).

Q: May I revoke or change my vote?

A: *If you are a stockholder of record*, you may change your vote by written notice to our Corporate Secretary, by granting a new proxy before the McDermott Special Meeting or by voting in person at the McDermott Special Meeting. Unless you attend the meeting and vote your shares in person, you should change your vote before the meeting using the same method (by Internet, telephone or mail) that you first used to vote your shares. That way, the inspectors of election for the meeting will be able to verify your latest vote.

If you are the beneficial owner, but not the holder of record, of shares, you should follow the instructions in the information provided by your broker or nominee to change your vote before the meeting. If you want to change your vote as to shares of which you are the beneficial owner by voting in person at the McDermott Special Meeting, you must obtain a valid legal proxy from the broker or nominee that holds those shares for you.

Written notices of revocation and other communications with respect to the revocation of proxies should be addressed as follows: McDermott International, Inc. Attention: Corporate Secretary, 4424 West Sam Houston Parkway North, Houston, Texas 77041.

Q: What happens if I sell my shares after the McDermott Record Date but before the McDermott Special Meeting?

A: The McDermott Record Date is earlier than the date of the McDermott Special Meeting and the date that the Combination is expected to be completed. If you sell or otherwise transfer your shares of McDermott Common Stock after the McDermott Record Date but before the date of the McDermott Special Meeting, you will retain your right to vote at the McDermott Special Meeting.

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Q: What constitutes a quorum?

A: The presence at the meeting, in person or by proxy, of holders of a majority of the outstanding shares of McDermott Common Stock as of the McDermott Record Date will constitute a quorum. If you attend the McDermott Special Meeting or vote your shares using the enclosed proxy card or voting instruction form (including any telephone or Internet voting procedures provided), your shares will be counted toward a quorum, even if you abstain from voting on a particular matter. Broker non-votes (*i.e.*, shares held by brokers and other nominees as to which they have not received voting instructions from the beneficial owners and lack the discretionary authority to vote on a proposed resolution) will count for quorum purposes.

Q: What will happen if I return my proxy card without indicating how to vote?

A: If you are a holder of record and you sign and return your proxy card without indicating how to vote on any particular proposal, the McDermott Common Stock represented by your proxy will be voted **FOR** the adoption of the McDermott Reverse Stock Split Articles Amendment Resolution, the adoption of the McDermott Authorized Capital Articles Amendment Resolution, the adoption of the McDermott Stock Issuance proposal and the adoption of the McDermott Meeting Adjournment proposal, if necessary to solicit additional proxies.

Q: What happens if I do not specify a choice for a proposal when returning a proxy or do not cast my vote or abstain from voting?

A: You should specify your choice for each proposal on your proxy card or voting instruction form. Shares represented by proxies will be voted in accordance with the instructions given by the stockholders.

If you are a stockholder of record of shares of McDermott Common Stock and your proxy card is signed and returned without voting instructions, it will be voted according to the recommendations of the McDermott Board.

If you are the beneficial owner, but not the holder of record, of shares of McDermott Common Stock and fail to provide voting instructions, your broker or other holder of record may not vote on the adoption of the McDermott Reverse Stock Split Articles Amendment Resolution, the adoption of the McDermott Authorized Capital Articles Amendment Resolution, the McDermott Stock Issuance proposal or the McDermott Meeting Adjournment proposal, and no votes will be cast on your behalf with respect to those matters.

Failures to vote, abstentions and broker non-votes will have the same effect as votes **AGAINST** the adoption of the McDermott Reverse Stock Split Articles Amendment Resolution and the adoption of the McDermott Authorized Capital Articles Amendment Resolution. Because failures to vote and broker non-votes are not actual votes cast (assuming that a quorum is present), they will have no effect on the outcome of the vote on the McDermott Stock Issuance proposal. However, under applicable rules of the NYSE, an abstention will have the same effect as a vote **AGAINST** the McDermott Stock Issuance proposal. Failures to vote by McDermott stockholders that attend the McDermott Special Meeting in person, abstentions and broker non-votes will have the same effect as votes **AGAINST** the McDermott Meeting Adjournment proposal. Failures to vote by McDermott stockholders not attending the McDermott Special Meeting, in person or by proxy, will have no effect on the McDermott Meeting Adjournment proposal, whether or not a quorum is present.

Q: Who pays the cost of the proxy solicitation for the McDermott Special Meeting?

A: McDermott will pay the cost of solicitation of proxies for the McDermott Special Meeting, including preparing, printing and mailing this joint proxy statement/prospectus. McDermott has retained MacKenzie Partners, Inc. to help in soliciting proxies for a fee not to exceed \$75,000, plus reimbursement for out-of-pocket expenses.

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Q: Who may attend the McDermott Special Meeting?

A: Holders of record of McDermott Common Stock as of the close of business on the McDermott Record Date may attend the McDermott Special Meeting. No guests will be admitted, except for guests invited by McDermott. Registration will begin at 2:00 p.m., Central Daylight Saving Time, and the meeting will begin promptly at 3:00 p.m., Central Daylight Saving Time. If your shares are held in street name through a broker, bank, trustee or other nominee, you are a beneficial owner, and beneficial owners will need to show proof of beneficial ownership, such as a copy of a brokerage account statement, reflecting stock ownership as of the McDermott Record Date in order to be admitted to the meeting. If you are a proxy holder for a stockholder, you will need to bring a validly executed proxy naming you as the proxy holder, together with proof of record ownership of the stockholder naming you as proxy holder. Please note that you may be asked to present valid government-issued photo identification, such as a valid driver's license or passport, when you check in for registration. No cameras, recording equipment or other electronic devices will be allowed to be brought into the meeting room by stockholders or beneficial owners.

Q: What do I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials for the McDermott Special Meeting, including multiple copies of this joint proxy statement/prospectus, proxy cards and/or voting instruction forms. This can occur if your shares are held through more than one account (*e.g.*, through different brokers or nominees), if you hold shares directly as a record holder and also in street name, or otherwise through a nominee, and in certain other circumstances. Each proxy card or voting instruction form only covers those shares of McDermott Common Stock held in the applicable account. If you receive more than one set of voting materials, each should be voted and/or returned separately in order to ensure that all of your shares are voted.

Q: Who is the inspector of the election?

A: A representative of Broadridge Financial Solutions, Inc. will serve as the inspector of election for the McDermott Special Meeting.

Q: Where can I find the voting results of the McDermott Special Meeting?

A: The preliminary voting results will be announced at the McDermott Special Meeting. In addition, within four business days following certification of the final voting results, McDermott intends to file the final voting results with the U.S. Securities and Exchange Commission (the SEC) on a Current Report on Form 8-K.

Q: What do I need to do now?

A:

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Carefully read and consider the information contained in and incorporated by reference into this joint proxy statement/prospectus, including its annexes. Then, please vote your shares of McDermott Common Stock, which you may do by:

completing, dating, signing and returning the enclosed proxy card in the accompanying postage-paid envelope;

submitting your proxy by telephone or via the Internet by following the instructions included on your proxy card; or

attending the McDermott Special Meeting and voting by ballot in person.

If your shares are held in the name of a bank, broker, trust company or other nominee, please instruct your nominee to vote your shares by following the instructions you receive from your nominee.

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About the CB&I Special General Meeting

Q: What are the proposals on which CB&I shareholders are being asked to vote?

A: CB&I shareholders are being asked to consider and vote on the following proposals:

a resolution providing for an amendment to CB&I's amended and restated articles of association as set forth in Annex G attached hereto to remove the supermajority voting requirement for certain resolutions when any person, alone or together with a group, holds more than fifteen percent (15%) of the outstanding share capital of CB&I (the **Articles Amendment Resolution**);

a resolution to enter into and effectuate the Merger in accordance with the Merger Proposal (as defined in the Business Combination Agreement) (the **Merger Resolution**);

(a) a resolution to approve the acquisition, no later than immediately prior to the Exchange Offer Effective Time, by certain subsidiaries of McDermott of the equity of certain CB&I subsidiaries that own CB&I's technology business for cash (to the extent required by law), and (b) a resolution to approve the sale by Comet I B.V., a direct wholly owned subsidiary of CB&I, of all of the issued and outstanding shares in the share capital of Comet II B.V. to McDermott Technology, B.V., a wholly owned subsidiary of McDermott (or its designee) (together, the **Sale Resolutions**);

a resolution to, effective as of the Share Sale Effective Time (as defined herein), (a) approve the dissolution of Comet I B.V., (b) approve the appointment of Stichting Vereffening Chicago Bridge & Iron Company as liquidator of Comet I B.V. and (c) approve the appointment of (an affiliate of) McDermott Technology, B.V. as the custodian of the books and records of Comet I B.V. in accordance with Section 2:24 of the Dutch Civil Code (the **Liquidation Resolutions**);

a resolution to, effective as of the Exchange Offer Effective Time, grant full and final discharge to each member of the CB&I Supervisory Board and the CB&I Management Board for his or her acts of supervision or management, as applicable, up to the date of the CB&I Special General Meeting (the **Discharge Resolutions**); and

a proposal to approve, by non-binding advisory vote, the compensation that may become or has become payable to CB&I's named executive officers in connection with the Combination (the **Compensation Resolution**).

Q: Does my vote matter?

A: Yes, your vote is very important. We encourage you to vote as soon as possible.

The Combination cannot be completed unless the CB&I shareholders approve the Merger Resolution, the Sale Resolutions (to the extent required by applicable law), the Liquidation Resolutions, and the Discharge Resolutions.

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

A: The affirmative vote of a majority of the votes cast on the matter by holders of shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting (meaning the number of shares voted **FOR** the proposal must exceed the number of shares voted **AGAINST** the proposal) is required to approve the Articles Amendment Resolution, the Sale Resolutions, the Liquidation Resolutions, the Discharge Resolutions and the Compensation Resolution at the CB&I Special General Meeting.

Assuming the Articles Amendment Resolution is adopted and implemented and so long as at least fifty percent (50%) of the issued and outstanding CB&I share capital is present at the CB&I Special General Meeting, in person or by proxy, the affirmative vote of a majority of the votes cast on the matter by holders of shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting (meaning the number of shares voted **FOR** the proposal must exceed the number of shares voted **AGAINST** the proposal) is required to approve the Merger Resolution at the CB&I Special General Meeting.

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If less than fifty percent (50%) of the issued and outstanding CB&I share capital is present at the CB&I Special General Meeting, in person or by proxy, the affirmative vote of at least two-thirds of the votes cast on the matter by holders of shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting is required to approve the Merger Resolution.

However, if the Articles Amendment Resolution is not adopted at the CB&I Special General Meeting and there is a person that alone or together with a group (beneficially) holds more than fifteen percent (15%) of the issued and outstanding share capital of CB&I at the time of the CB&I Special General Meeting, the affirmative vote of at least eighty percent (80%) of the shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting (meaning that, of the shares of CB&I Common Stock outstanding, excluding treasury shares, at least 80% must be voted FOR the proposal) is required to approve the Merger Resolution. In such case, failures to vote by CB&I shareholders, whether or not they attend the CB&I Special General Meeting in person or by proxy, abstentions and broker non-votes will have the same effect as votes AGAINST the adoption of the Merger Resolution.

Q: How does the CB&I Supervisory Board and the CB&I Management Board (the CB&I Boards) recommend that I vote at the CB&I Special General Meeting?

A: The CB&I Boards have: (1) determined that the Core Transactions and the Exchange Offer and the other transactions contemplated by the Business Combination Agreement (and any prior or subsequent (legal or other) acts necessary or desirable to effectuate or implement the transactions contemplated by the Business Combination Agreement) are in the best interests of CB&I and the CB&I shareholders, and that the foregoing is in the best interests of CB&I and its business, taking into account the interests of shareholders, creditors, employees, and other stakeholders of CB&I and the CB&I group; (2) approved the Business Combination Agreement and CB&I's execution, delivery and performance of the Business Combination Agreement and the consummation of the transactions contemplated by the Business Combination Agreement; (3) resolved to recommend that the CB&I shareholders adopt and approve the Articles Amendment Resolution, Merger Resolution, Sale Resolutions, Liquidation Resolutions and Discharge Resolutions; and (4) resolved to support the Exchange Offer and to recommend acceptance of the Exchange Offer by the shareholders of CB&I, in each case upon the terms and subject to the conditions stated in the Business Combination Agreement.

The CB&I Boards recommend that CB&I shareholders vote:

1. FOR the Articles Amendment Resolution;
2. FOR the Merger Resolution;
3. FOR the Sale Resolutions;
4. FOR the Liquidation Resolutions;

5. FOR the Discharge Resolutions; and

6. FOR the Compensation Resolution.

In addition, the CB&I Boards recommend that CB&I shareholders accept the Exchange Offer.

Q: What happens if I sell or tender my shares after the CB&I Record Date but before the CB&I Special General Meeting?

A: The CB&I Record Date (as defined below) is earlier than the date of the CB&I Special General Meeting and the date that the Combination is expected to be completed. If you sell, tender in the Exchange Offer or otherwise transfer your shares of CB&I Common Stock after the CB&I Record Date but before the date of the CB&I Special Meeting, you will retain your right to vote at the CB&I Special Meeting. However, you will not have the right to receive the Per Share Consideration to be received by CB&I shareholders in the Combination unless you either (1) tender your shares of CB&I Common Stock in the Exchange Offer or (2) continue to hold your shares of CB&I Common Stock through completion of the Combination.

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Q: Why am I being asked to consider and vote on a proposal, by non-binding, advisory vote, concerning compensation that may become payable to CB&I's named executive officers in connection with the Combination?

A: Under SEC rules, CB&I is required to seek a non-binding, advisory vote with respect to certain compensation that may become payable to CB&I's named executive officers in connection with the Combination.

Q: When and where is the CB&I Special General Meeting?

A: The CB&I Special General Meeting will take place on May 2, 2018, at 3:00 p.m., Central European Time, at the InterContinental Amstel Amsterdam, Professor Tulpplein 1, 1018 GX Amsterdam.

Q: Who is entitled to vote at the CB&I Special General Meeting?

A: If you were a shareholder of record, meaning that you were a registered in the CB&I share register as referred to in section 2:85 of the Dutch Civil Code, part of which is kept by Computershare Trust Company, N.A. on behalf of CB&I (the "CB&I Share Register") on April 4, 2018, the record date for the CB&I Special General Meeting established by the CB&I Management Board (the "CB&I Record Date"), you may vote your shares on the matters to be considered by CB&I's shareholders at the CB&I Special General Meeting, even if you have tendered your shares in the Exchange Offer. If your shares were held by a bank, broker, trust company or other nominee (that is, in "street name") on that date, the broker or other nominee that was the record holder of your shares has the authority to vote them at the CB&I Special General Meeting. You should follow the instructions provided by them to vote your shares.

Unless the context otherwise requires, references to "shareholders" refer to those who on the record date are, and are registered in the CB&I Share Register as, holders of shares of CB&I Common Stock or others with meeting rights under Dutch law with respect to shares of CB&I Common Stock.

Q: How many votes do I have?

A: You are entitled to one vote for each share of CB&I Common Stock that you owned as of the close of business on the CB&I Record Date. As of the close of business on March 26, 2018, there were approximately 102.5 million outstanding shares of CB&I Common Stock.

Q: How do I vote?

A: If you are a shareholder of record registered in the CB&I Share Register, you may vote your shares in person by attending the CB&I Special General Meeting, or vote now by giving your proxy via Internet or mail. You may give your proxy by following the instructions included in the enclosed proxy card. If you give your proxy to vote

using the Internet, you will save CB&I mailing expenses.

Admittance of shareholders and acceptance of written voting proxies shall be governed by Dutch law. Only shareholders registered in the CB&I Share Register as of the record date, or such shareholders' proxies, who have requested that the holder of the CB&I Share Register (either the CB&I Management Board or Computershare Trust Company, N.A.) notify CB&I by April 30, 2018 of his or her or his or her proxy's intention to attend the CB&I Special General Meeting, may attend the CB&I Special General Meeting. The notice must state the name and number of shares the person will represent at the CB&I Special General Meeting. All attendees must be prepared to identify themselves with a valid proof of identity for admittance.

If you are not a shareholder of record registered in the CB&I Share Register, you may not attend the CB&I Special General Meeting without the invitation of the chairman of the CB&I Supervisory Board. You may vote now by giving your proxy via Internet, telephone or mail. You may give your proxy by following the instructions included in the enclosed proxy card. If you vote using either the telephone or the Internet, you will save CB&I mailing expenses.

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Q: How will my shares be voted?

A: If you vote by proxy, the individuals named on the proxy card (your proxies) will vote your shares in the manner you indicate.

If you sign and return your proxy card without indicating your voting instructions, your shares will be voted **FOR** each of the Articles Amendment Resolution, the Merger Resolution, the Sale Resolutions, the Liquidation Resolutions, the Discharge Resolutions and the Compensation Resolution.

Q: What if my shares are held by a broker?

A: If your shares of CB&I Common Stock are held in street name, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank, broker, trust company or other nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to CB&I unless you provide a legal proxy, which you must obtain from your bank, broker, trust company or other nominee.

If you do not instruct your bank, broker, trust company or other nominee on how to vote your shares, your nominee may not vote your shares on any of the proposals put forth for resolution at the CB&I Special General Meeting.

Q: May I revoke or change my vote?

A: *If you are a shareholder of record*, you may change your vote by written notice to our Corporate Secretary, by granting a new proxy before the CB&I Special General Meeting or by voting in person at the CB&I Special General Meeting (subject to complying with the notification procedures necessary for attendance). Unless you attend the meeting and vote your shares in person, you should change your vote before the meeting using the same method (by Internet or mail) that you first used to vote your shares. That way, the inspectors of election for the meeting will be able to verify your latest vote.

If you are the beneficial owner, but not the holder of record, of shares, you should follow the instructions in the information provided by your broker or nominee to change your vote before the meeting.

Written notices of revocation and other communications with respect to the revocation of proxies should be addressed as follows: Corporate Secretary, Chicago Bridge & Iron Company N.V., Prinses Beatrixlaan 35, 2595 AK The Hague, The Netherlands.

Q: What constitutes a quorum?

A: CB&I does not have a quorum requirement. However, if less than fifty percent (50%) of the issued and outstanding share capital of CB&I is present at the CB&I Special General Meeting, in person or by proxy, the applicable voting standard for the Merger Resolution increases from an affirmative majority of the votes cast on

the matter to at least two-thirds of the votes cast on the matter.

If you attend the CB&I Special General Meeting or vote your shares using the enclosed proxy card or voting instruction form (including any telephone or Internet voting procedures provided), your shares will be counted as present, even if you abstain from voting on a particular matter. Broker non-votes (i.e., shares held by brokers and other nominees as to which they have not received voting instructions from the beneficial owners and lack the discretionary authority to vote on a proposed resolution) will not be counted as present.

Q: What will happen if I return my proxy card without indicating how to vote?

A: If you are a holder of record and you sign and return your proxy card without indicating how to vote on any particular proposal, the shares of CB&I Common Stock represented by your proxy will be voted FOR each of the Articles Amendment Resolution, the Merger Resolution, the Sale Resolutions, the Liquidation Resolutions, the Discharge Resolutions and the Compensation Resolution.

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Q: What happens if I do not specify a choice for a proposal when returning a proxy or do not cast my vote or abstain from voting?

A: You should specify your choice for each proposal on your proxy card or voting instruction form. Shares represented by proxies will be voted in accordance with the instructions given by the shareholders.

If you are a shareholder of record of shares of CB&I Common Stock and your proxy card is signed and returned without voting instructions, it will be voted according to the recommendations of the CB&I Boards.

If you are the beneficial owner, but not the holder of record, of shares of CB&I Common Stock and fail to provide voting instructions, your broker or other holder of record may not vote on the proposals and no votes will be cast on your behalf with respect to those matters.

Failures to vote by CB&I shareholders that attend the CB&I Special General Meeting in person or by proxy, failures to vote by CB&I shareholders that do not attend the CB&I Special General Meeting in person or by proxy, abstentions and broker non-votes are not considered votes cast and therefore will have no effect on the outcome of the proposals; provided, that if the Articles Amendment Resolution is not adopted at the CB&I Special General Meeting and there is a person that alone or together with a group (beneficially) holds more than fifteen percent (15%) of the issued and outstanding share capital of CB&I at the time of the CB&I Special General Meeting, failures to vote by CB&I shareholders, whether or not they attend the CB&I Special General Meeting in person or by proxy, abstentions and broker non-votes will have the same effect as votes AGAINST the adoption of the Merger Resolution.

Q: Who pays the cost of the proxy solicitation for the CB&I Special General Meeting?

A: CB&I will pay the cost of solicitation of proxies for the CB&I Special General Meeting, including preparing, printing and mailing this joint proxy statement/prospectus. CB&I has retained Innisfree M&A Incorporated to help in soliciting proxies for a fee not to exceed \$25,000, plus reimbursement for out-of-pocket expenses.

Q: Who may attend the CB&I Special General Meeting?

A: Admittance of shareholders and acceptance of written voting proxies shall be governed by Dutch law. Only shareholders registered in the CB&I Share Register as of the record date, or such shareholders' proxies, who have requested that the holder of the CB&I Share Register (either the CB&I Management Board or Computershare Trust Company, N.A.) notify CB&I by April 30, 2018 of his or her or his or her proxy's intention to attend the CB&I Special General Meeting, may attend the CB&I Special General Meeting. The notice must state the name and number of shares the person will represent at the CB&I Special General Meeting. All attendees must be prepared to identify themselves with a valid proof of identity for admittance.

If you are not a shareholder of record registered in the CB&I Share Register, a usufructuary to whom voting rights accrue or pledgee to whom voting rights accrue, you may not attend the CB&I Special General Meeting without the invitation of the chairman of the CB&I Supervisory Board.

If you are the beneficial owner of shares, but not the holder of record, you should refer to the instructions provided by your broker or nominee for further information.

No guests will be admitted, except for guests invited by CB&I.

Registration will begin at 2:00 p.m. Central European Time, and the CB&I Special General Meeting will begin promptly at 3:00 p.m. Central European Time. Please note that you may be asked to present valid government-issued photo identification, such as a valid driver's license or passport, when you check in for registration. No cameras, recording equipment or other electronic devices will be allowed to be brought into the meeting room by attendees.

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Q: What do I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials for the CB&I Special General Meeting, including multiple copies of this joint proxy statement/prospectus, proxy cards and/or voting instruction forms. This can occur if your shares are held through more than one account (*e.g.*, through different brokers or nominees), if you hold shares directly as a record holder and also in street name, or otherwise through a nominee, and in certain other circumstances. Each proxy card or voting instruction form only covers those shares of CB&I Common Stock held in the applicable account. If you receive more than one set of voting materials, each should be voted and/or returned separately in order to ensure that all of your shares are voted.

Q: Who is the inspector of the election?

A: A representative of Broadridge Financial Solutions, Inc. will serve as the inspector of election for the CB&I Special General Meeting.

Q: Where can I find the voting results of the CB&I Special General Meeting?

A: The preliminary voting results will be announced at the CB&I Special General Meeting. In addition, within four business days following certification of the final voting results, CB&I intends to file the final voting results with the SEC on a Current Report on Form 8-K.

Q: What do I need to do now?

A: Carefully read and consider the information contained in and incorporated by reference into this joint proxy statement/prospectus, including its annexes. Then, please vote your shares of CB&I Common Stock, which you may do by:

completing, dating, signing and returning the enclosed proxy card in the accompanying postage-paid envelope;

submitting your proxy by telephone or via the Internet by following the instructions included on your proxy card; or

attending the CB&I Special General Meeting and voting by ballot in person (subject to complying with the notification procedures necessary for attendance).

If your shares are held in the name of a bank, broker, trust company or other nominee, please instruct your nominee to vote your shares by following the instructions you receive from your nominee.

Q: Whom should I call with questions?

A: McDermott stockholders or CB&I shareholders who have questions about the Combination or the other matters to be voted on at the special meeting or special general meeting or desire additional copies of this document or additional proxy cards should contact:

if you are a McDermott stockholder:

**MacKenzie Partners, Inc.
105 Madison Avenue
New York, New York 10016
Toll-free: (800) 322-2885
Collect: (212) 929-5500**

if you are a CB&I shareholder:

**Innisfree M&A Incorporated
501 Madison Avenue
New York, New York 10022
Toll-free: (877) 825-8971
Collect: (212) 750-5833**

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SUMMARY

*This summary highlights selected information contained in this document and may not contain all of the information that is important to you. McDermott and CB&I urge you to read this entire document carefully, including its annexes and the other documents referred to herein. A copy of the Business Combination Agreement, as amended, is attached as Annex A-1 and Annex A-2 to this document and is incorporated by reference herein. See *Where You Can Find More Information* beginning on page 219 of this document. McDermott and CB&I have included in this summary references to other portions of this document to direct you to a more complete description of the topics presented, which you should review carefully in their entirety.*

Information About the Companies

McDermott International, Inc. (see page 181)

McDermott International, Inc., which we refer to as **McDermott**, a corporation incorporated under the laws of the Republic of Panama in 1959, is a leading provider of integrated engineering, procurement, construction and installation, front-end engineering and design and module fabrication services for upstream field developments worldwide.

McDermott's common stock, par value \$1.00 per share (**McDermott Common Stock**) is listed on the New York Stock Exchange (**NYSE**) under the trading symbol **MDR**. McDermott's principal executive offices are located at 4424 West Sam Houston Parkway North, Houston, Texas 77041, and its telephone number at that location is (281) 870-5000.

Chicago Bridge & Iron Company N.V. (see page 182)

Founded in 1889, Chicago Bridge & Iron Company N.V., which we refer to as **CB&I**, provides a wide range of services, including conceptual design, technology, engineering, procurement, fabrication, modularization, construction and services to customers in the energy infrastructure market throughout the world.

CB&I's common stock, par value EUR 0.01 per share (**CB&I Common Stock**) is listed on the NYSE under the trading symbol **CBI**. CB&I's principal executive offices are located at Prinses Beatrixlaan 35, 2595 AK, The Hague, The Netherlands and its telephone number at that location is 011-31-70-373-2010. CB&I's administrative headquarters are located at One CB&I Plaza, 2103 Research Forest Drive, The Woodlands, TX 77380, USA and its telephone number at that location is (832) 513-1000.

McDermott Technology, B.V.

McDermott Technology, B.V., which we refer to as **McDermott Bidco**, is a company incorporated under the laws of the Netherlands and a direct wholly owned subsidiary of McDermott that was formed on December 14, 2017, solely for the purpose of effecting the Combination. To date, McDermott Bidco has not conducted any material activities other than those incidental to its formation and the matters contemplated by the Business Combination Agreement, dated as of December 18, 2017, by and among McDermott, CB&I and the other parties thereto (as it may be amended or supplemented from time to time, the **Business Combination Agreement**).

Comet I B.V. (see page 182)

Comet I B.V., which we refer to as **CB&I Newco**, is a company incorporated under the laws of the Netherlands and a direct wholly owned subsidiary of CB&I that was formed on December 12, 2017, solely for the purpose of effecting

the Combination. To date, CB&I Newco has not conducted any material activities other than those incidental to its formation and the matters contemplated by the Business Combination Agreement. On December 13, 2017, CB&I Newco formed Comet II B.V. to facilitate the Combination.

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Comet II B.V.

Comet II B.V., which we refer to as CB&I Newco Sub, is a company incorporated under the laws of the Netherlands and a direct wholly owned subsidiary of CB&I Newco that was formed on December 13, 2017, solely for the purpose of effecting the Combination. To date, CB&I Newco Sub has not conducted any material activities other than those incidental to its formation and the matters contemplated by the Business Combination Agreement.

The Combination (see page 55)

Pursuant to the Business Combination Agreement, McDermott and CB&I have agreed to combine their businesses through a series of transactions (and subject to the terms and conditions of the Business Combination Agreement) that we refer to as the Core Transactions, preceded by the Exchange Offer (the Core Transactions, together with the Exchange Offer, the Combination). The Business Combination Agreement is more fully described in the section The Business Combination Agreement and a copy of the Business Combination Agreement, as amended, is attached as Annex A-1 and Annex A-2 to this document. **You should read the entire Business Combination Agreement carefully in its entirety before making any decisions regarding the Combination because it is the legal document that governs the relationship between McDermott and CB&I with respect to the Combination.**

On the terms and subject to the conditions of the Business Combination Agreement, the Combination will occur as follows:

McDermott Bidco will launch an offer to exchange any and all issued and outstanding shares of CB&I Common Stock for shares of McDermott Common Stock (the Exchange Offer), with the completion of the Exchange Offer to occur prior to the Merger Effective Time (as defined herein);

Certain subsidiaries of McDermott, namely McDermott Technology (2), B.V., McDermott Technology (3), B.V., McDermott Technology (Americas), Inc. and McDermott Technology (US), Inc., will complete the CB&I Technology Acquisition, pursuant to which they will acquire for cash the equity of certain CB&I subsidiaries that own CB&I's technology business (the CB&I Technology Acquisition) no later than immediately prior to the time at which McDermott Bidco accepts all shares of CB&I Common Stock validly tendered and not properly withdrawn in the Exchange Offer (the Exchange Offer Effective Time);

McDermott Bidco will complete the Exchange Offer;

CB&I will merge with and into CB&I Newco Sub, with: (1) CB&I Newco Sub continuing as a wholly owned subsidiary of CB&I Newco; (2) CB&I shareholders that do not validly tender in (or who properly withdraw their shares of CB&I Common Stock from) the Exchange Offer becoming shareholders of CB&I Newco as a result of their shares being exchanged for shares of CB&I Newco; and (3) McDermott Bidco becoming a shareholder of CB&I Newco as a result of any shares it will have accepted for exchange in the Exchange Offer being exchanged for shares of CB&I Newco (the Merger);

CB&I Newco Sub will become an indirect subsidiary of McDermott through the sale of all of the outstanding shares in the capital of CB&I Newco Sub to McDermott Bidco in exchange for the Exchangeable Note (as defined herein) (the "Share Sale"); and

CB&I Newco will be dissolved and liquidated (the "Liquidation"), and as a result of which former CB&I shareholders who do not validly tender in (or who properly withdraw their shares of CB&I Common Stock from) the Exchange Offer and, as a result of the Merger, become CB&I Newco shareholders, will be entitled to receive, in respect of each former share of CB&I Common Stock upon

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completion of the Liquidation, 2.47221 shares of McDermott Common Stock, or, if the McDermott Reverse Stock Split (as defined herein) has occurred prior to the date on which the Exchange Offer Effective Time occurs, 0.82407 shares of McDermott Common Stock (as applicable, the Exchange Offer Ratio), together with cash in lieu of fractional shares. The consideration per share of CB&I Common Stock to be received pursuant to the Core Transactions is the same as the Exchange Offer Ratio, except that the receipt of shares of McDermott Common Stock and cash in lieu of fractional shares pursuant to the Liquidation generally will be subject to Dutch dividend withholding tax under the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) to the extent the Liquidation Distribution (as defined herein) exceeds the average paid-in capital recognized for Dutch dividend withholding tax purposes of the shares of CB&I Newco Common Stock (as defined below) (the Dutch Dividend Withholding Tax).

The Core Transactions consist of the CB&I Technology Acquisition, the Merger, the Share Sale and the Liquidation. The Combination consists of the Exchange Offer and the Core Transactions. Each step of the Combination is intended to be completed substantially concurrently, provided that the Liquidation Distribution will occur on the date of consummation of the Combination (the Closing Date) or as soon as practicable thereafter.

Below is a description of each of these steps in the Combination.

Step 1 *CB&I Technology Acquisition (see page 127)*

In the CB&I Technology Acquisition, McDermott Technology (2), B.V. and McDermott Technology (3), B.V. intend to acquire, for cash, no later than immediately prior to the Exchange Offer Effective Time, certain subsidiaries of CB&I (as specified in the Business Combination Agreement), and each of McDermott Technology (Americas), Inc. and McDermott Technology (US), Inc. intends to acquire for cash 50% of certain subsidiaries of CB&I (as specified in the Business Combination Agreement). Together, these acquired entities operate CB&I's technology business (primarily consisting of CB&I's former Technology reportable segment and its Engineered Products Operations, representing a portion of its Fabrication Services reportable segment). The cash proceeds to be paid by such McDermott entities pursuant to the CB&I Technology Acquisition in the aggregate amount of \$2.65 billion will be used to fund the repayment of all the outstanding funded indebtedness of CB&I and its subsidiaries and to provide for future working capital needs of those entities (or their successors).

Step 2 *The Exchange Offer (see page 129)*

In the Exchange Offer, CB&I shareholders will be offered to exchange each of their issued and outstanding shares of CB&I Common Stock for 2.47221 shares of McDermott Common Stock or, if the McDermott Reverse Stock Split has occurred prior to the Exchange Offer Effective Time, 0.82407 shares of McDermott Common Stock.

If all of the shares of CB&I Common Stock outstanding as of March 26, 2018 were exchanged in the Exchange Offer, the aggregate number of shares of McDermott Common Stock issued to the CB&I shareholders will equal approximately 47% of the shares of McDermott Common Stock outstanding at the completion of the Combination.

Commencement and Expiration of the Exchange Offer

McDermott Bidco will commence the Exchange Offer promptly. The Exchange Offer will expire at 12:01 a.m., Eastern time, which we sometimes refer to as New York City time, on May 10, 2018, subject to extension as described below (such time, or such later time to which the Exchange Offer has been so extended, is referred to as the Exchange Offer Expiration Time).

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Conditions to the Exchange Offer as Part of the Combination

The Exchange Offer, as part of the Combination, is subject to the satisfaction or, where permissible, waiver of certain conditions described in the section *The Business Combination Agreement The Exchange Offer Conditions to the Combination*.

Acceptance of Shares of CB&I Common Stock in the Exchange Offer

The obligation of McDermott Bidco to accept for exchange, and the obligation of McDermott to issue shares of McDermott Common Stock to McDermott Bidco to offer in exchange for, any shares of CB&I Common Stock validly tendered and not properly withdrawn pursuant to the Exchange Offer will be subject only to the satisfaction (or waiver) of the closing conditions set forth above under the heading *Conditions to the Exchange Offer as Part of the Combination*. If McDermott Bidco accepts shares of CB&I Common Stock in the Exchange Offer in accordance with the terms of the Business Combination Agreement, then the McDermott entities that are parties to the Business Combination Agreement (the *McDermott Parties*) and the CB&I entities that are parties to the Business Combination Agreement (the *CB&I Parties*) will complete the actions contemplated by the Business Combination Agreement with respect to the Core Transactions on the Closing Date, provided that the Liquidation Distribution will occur on the Closing Date or as soon as practicable thereafter.

Extension of the Exchange Offer

McDermott Bidco may extend the Exchange Offer to such other date and time as may be agreed in writing by McDermott and CB&I, and McDermott Bidco will extend the Exchange Offer for any minimum period as may be required by the SEC (including, without limitation, for any five-day extension period or longer period required under Rule 14d-4 or Rule 14e-1 under the Exchange Act) or the NYSE. McDermott Bidco will also extend the Exchange Offer on one or more occasions if, at the then-scheduled Exchange Offer Expiration Time, any condition to the Exchange Offer has not been satisfied or waived. McDermott Bidco is not required to extend the Exchange Offer beyond the Termination Date (as defined herein).

Step 3 *The Merger (see page 130)*

Promptly following the Exchange Offer Effective Time, CB&I, as the disappearing company, will merge with and into CB&I Newco Sub in a legal triangular merger (*juridische driehoeksfusie*), resulting in each holder of outstanding shares of CB&I Common Stock holding a number of shares in the capital of CB&I Newco equal to the number of shares of CB&I Common Stock held by such holder of shares of CB&I Common Stock (the *Merger Consideration*) immediately prior to the completion of the Merger. The Merger is discussed in more detail in the section *The Business Combination Agreement The Merger*.

CB&I, CB&I Newco and CB&I Newco Sub will effectuate the Merger promptly following the Exchange Offer Effective Time, in order to ensure that the Merger becomes effective at midnight Amsterdam time (being either 6:00 p.m., New York City time, or 7:00 p.m., New York City time), on the date the Exchange Offer Effective Time occurs. We refer to the effective time of the Merger as the *Merger Effective Time*.

Step 4 *The Share Sale (see page 131)*

Immediately following the Merger Effective Time, CB&I Newco will transfer all of the issued and outstanding shares in the capital of CB&I Newco Sub (the surviving entity in the Merger) to McDermott Bidco in exchange for an exchangeable note issued by McDermott Bidco (the *Exchangeable Note*) (which will be mandatorily exchangeable for

shares of McDermott Common Stock other than to the extent any portion of the Exchangeable

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Note is distributed to McDermott Bidco or any other controlled affiliate of McDermott). In connection therewith, immediately following the Merger Effective Time, McDermott Bidco, CB&I Newco and CB&I Newco Sub will enter into a notarial deed of transfer of shares pursuant to which all issued and outstanding shares in the capital of CB&I Newco Sub will be transferred by CB&I Newco to McDermott Bidco or its designated nominee at such time and such transfer will be acknowledged by CB&I Newco Sub. We refer to the effective time of such execution and acknowledgement as the Share Sale Effective Time.

Step 5 *Pre-Liquidation Transactions (see page 131)*

Exchangeable Note Split

Pursuant to the terms of the Exchangeable Note, immediately following the Share Sale Effective Time, the Exchangeable Note will automatically be split into two notes, one of which will be the McDermott Component Note and the other of which will be the Legacy CB&I Component Note (the Exchangeable Note Split). The McDermott Component Note will entitle the holder(s) thereof to receive a number of shares of McDermott Common Stock equal to the product of the Exchangeable Note principal amount multiplied by the percentage of outstanding shares of the common stock of CB&I Newco (CB&I Newco Common Stock) owned at such time by McDermott and its subsidiaries (other than CB&I Newco). The Legacy CB&I Component Note will entitle the holder(s) thereof to receive a number of shares of McDermott Common Stock equal to the product of the Exchangeable Note principal amount multiplied by the percentage of outstanding shares of CB&I Newco Common Stock owned at such time by persons that are not affiliates of McDermott (CB&I Newco Public Shareholders). As soon as McDermott or any of its subsidiaries (other than CB&I Newco) becomes the holder of the McDermott Component Note, the McDermott Component Note will immediately terminate and any rights thereunder will be extinguished and no longer due.

Deposit and Exchange

Immediately following the Exchangeable Note Split, CB&I Newco will deposit the Legacy CB&I Component Note with Computershare Trust Company, N.A., which is acting as the exchange agent in connection with the Exchange Offer, the Merger and the Liquidation (the Exchange Agent). Upon receipt by the Exchange Agent, the Legacy CB&I Component Note will automatically and mandatorily be exchanged into a number of shares of McDermott Common Stock equal to the product of the Exchange Offer Ratio and the number of shares of CB&I Newco owned at such time by the CB&I Newco Public Shareholders (the Mandatory Exchange). Prior to the execution of the Exchangeable Note, McDermott will have deposited with the Exchange Agent a number of shares of McDermott Common Stock sufficient to permit the completion of the Mandatory Exchange. The number of shares of McDermott Common Stock required to be issued in the Mandatory Exchange will be rounded up to the nearest whole share. Upon completion of the Mandatory Exchange, the Legacy CB&I Component Note will be deemed fully paid and the indebtedness represented by the Exchangeable Note will be deemed fully satisfied.

McDermott Common Stock Sale to Satisfy Dutch Dividend Withholding Tax Obligations

Pursuant to the terms of the Exchangeable Note, CB&I Newco will cause the Exchange Agent to sell (the McDermott Common Stock Sale), in one or more transactions for the benefit of the CB&I Newco Public Shareholders, shares of McDermott Common Stock that the CB&I Newco Public Shareholders would otherwise be entitled to receive in order to obtain sufficient net cash proceeds to satisfy the Dutch Dividend Withholding Tax in connection with the Liquidation Distribution (as defined herein). In the event that the cash proceeds obtained by the Exchange Agent in the McDermott Common Stock Sale exceed the required applicable withholding by more than a *de minimis* amount, those surplus cash proceeds will be distributed, net of applicable Dutch Dividend Withholding Tax, to the CB&I Newco Public Shareholders on a pro rata basis, along with any cash payable in lieu of fractional shares. McDermott

will be entitled to retain any *de minimis* surplus cash proceeds.

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Step 6 *The Liquidation* (see page 132)

As soon as practicable after the Share Sale Effective Time, CB&I Newco will be dissolved and subsequently liquidated, making one or more liquidating distributions such that each holder of shares of CB&I Common Stock not validly tendered in (or properly withdrawn from) the Exchange Offer will receive, as a liquidation distribution, shares of McDermott Common Stock for each such share (together, the Liquidation Distribution) as follows:

each CB&I Newco Public Shareholder will receive a number of shares of McDermott Common Stock equal to (1) the product of (a) the Exchange Offer Ratio and (b) the number of shares of CB&I Newco held by such shareholder at such time (with cash paid in lieu of any fractional shares of McDermott Common Stock as described below) minus (2) the number of shares of McDermott Common Stock sold pursuant to the McDermott Common Stock Sale, if any, in respect of any applicable Dutch Dividend Withholding Tax of such CB&I Newco Public Shareholder; and

McDermott Bidco and any other shareholder that is a subsidiary of McDermott (other than CB&I Newco) will receive a portion of the McDermott Component Note, which will immediately terminate upon receipt, with any rights thereunder extinguished and no longer due.

In connection with the Liquidation Distribution, the Exchange Agent will pay to the relevant Dutch tax authority the net cash proceeds from the McDermott Common Stock Sale in satisfaction of CB&I Newco's obligation to remit Dutch Dividend Withholding Tax in respect of the Liquidation Distribution.

Non-tendering CB&I shareholders who receive shares of McDermott Common Stock pursuant to the Liquidation Distribution rather than the Exchange Offer generally will be subject to Dutch Dividend Withholding Tax. See Material Tax Consequences of the Combination.

Once the final Liquidation Distribution has occurred, CB&I Newco will cease to exist by operation of law.

The McDermott Special Meeting (see page 37)

Meeting (see page 37)

The McDermott Special Meeting is scheduled to be held on May 2, 2018, at 9:00 a.m., Central Daylight Saving Time, at the offices of Baker Botts L.L.P., 910 Louisiana, 32nd floor, Houston, Texas. At the McDermott Special Meeting, McDermott stockholders will be asked to vote on:

a proposed resolution providing for an amendment to the McDermott amended and restated articles of incorporation (the McDermott Articles) (1) to effect a 3-to-1 reverse stock split of the McDermott Common Stock and (2) to decrease the authorized shares of McDermott Common Stock to 255,000,000 shares (the McDermott Reverse Stock Split Articles Amendment Resolution);

a proposed resolution providing for an amendment to the McDermott Articles to increase the authorized shares of McDermott Common Stock to 765,000,000 shares (the McDermott Authorized Capital Articles

Amendment Resolution); provided that, if adopted, the McDermott Authorized Capital Articles Amendment Resolution will only become effective if the McDermott Reverse Stock Split Articles Amendment Resolution is not adopted at the McDermott Special Meeting;

a proposal to issue shares of McDermott Common Stock in connection with the Exchange Offer and the Core Transactions, including the issuance pursuant to the Exchangeable Note (the McDermott Stock Issuance); and

a proposal to approve the adjournment of the McDermott Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the McDermott Stock Issuance and either the McDermott Reverse Stock Split Articles Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution (the McDermott Meeting Adjournment).

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The McDermott Reverse Stock Split Articles Amendment Resolution, the McDermott Authorized Capital Articles Amendment Resolution, McDermott Stock Issuance proposal and the McDermott Meeting Adjournment proposal are collectively referred to in this document as the McDermott Stockholder Proposals. The approvals of the McDermott Stock Issuance proposal and either the McDermott Reverse Stock Split Articles Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution are collectively referred to in this document as the McDermott Stockholder Approval.

Record Date; Stockholders Entitled to Vote (see page 37)

The McDermott Board of Directors (the McDermott Board) established April 4, 2018 (the McDermott Record Date) as the record date for determining stockholders entitled to vote at the McDermott Special Meeting. This means that, if you were a stockholder of record (meaning that you were registered with McDermott's transfer agent and registrar, Computershare Trust Company, N.A.) on the McDermott Record Date, you may vote your shares on the matters to be considered by McDermott's stockholders at the McDermott Special Meeting. If your shares were held in street name on that date, the broker or other nominee that was the record holder of your shares has the authority to vote them at the McDermott Special Meeting. They have forwarded to you this joint proxy statement/prospectus seeking your instructions on how you want your shares voted.

As of the close of business on March 26, 2018, approximately 285.9 million shares of McDermott Common Stock were outstanding. Each outstanding share of McDermott Common Stock entitles its holder to one vote on each matter to be acted on at the meeting.

As of the close of business on March 26, 2018, the most recent practicable date prior to the date of this joint proxy statement/prospectus, less than 1.5% of the outstanding shares of McDermott Common Stock were held by McDermott directors and executive officers and their affiliates. McDermott's directors and executive officers other than Stephen G. Hanks, who collectively own less than 1.5% of the outstanding shares of McDermott Common Stock, have informed McDermott that they intend, as of the date hereof, to vote their shares in favor of all of the proposals set forth above, although none has entered into any agreements obligating them to do so.

Required Vote (see page 38)

The affirmative vote of the holders of a majority of the shares of McDermott Common Stock outstanding and entitled to vote at the McDermott Special Meeting (meaning that, of the shares of McDermott Common Stock outstanding, excluding treasury shares, a majority must be voted FOR the proposal) is required to approve the McDermott Reverse Stock Split Articles Amendment Resolution and the McDermott Authorized Capital Articles Amendment Resolution. The affirmative vote of the holders of a majority of the votes cast on the matter by holders of shares of McDermott Common Stock present in person or represented by proxy at the McDermott Special Meeting (meaning the number of shares voted FOR the proposal must exceed the number of shares voted AGAINST the proposal plus abstentions) is required to approve the McDermott Stock Issuance proposal. The affirmative vote of the holders of a majority of the shares of McDermott Common Stock present in person or represented by proxy at the meeting, whether or not a quorum is present, is required to approve the McDermott Meeting Adjournment proposal.

Failures to vote, abstentions and broker non-votes will have the same effect as votes AGAINST the adoption of the McDermott Reverse Stock Split Articles Amendment Resolution and the adoption of the McDermott Authorized Capital Articles Amendment Resolution. Because failures to vote and broker non-votes are not actual votes cast (assuming that a quorum is present), they will have no effect on the outcome of the vote on the McDermott Stock Issuance proposal. However, under applicable rules of the NYSE, an abstention will have the same effect as a vote AGAINST the McDermott Stock Issuance proposal. Failures to vote by McDermott stockholders that attend the

McDermott Special Meeting in person, abstentions and broker non-votes will have

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the same effect as votes AGAINST the McDermott Meeting Adjournment proposal. Failures to vote by McDermott stockholders not attending the McDermott Special Meeting, in person or by proxy, will have no effect on the McDermott Meeting Adjournment proposal, whether or not a quorum is present.

The Combination cannot be completed unless the McDermott stockholders approve the McDermott Stock Issuance and either the McDermott Reverse Stock Split Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution.

Recommendation of the McDermott Board (see page 37)

The McDermott Board has approved, and, by a vote of eight to one, recommends that you vote FOR, the McDermott Reverse Stock Split Articles Amendment Resolution, the McDermott Authorized Capital Articles Amendment Resolution, the McDermott Stock Issuance proposal and the McDermott Meeting Adjournment proposal. For McDermott's reasons for these recommendations, see The Combination McDermott's Reasons for the Combination; Recommendation of the McDermott Board.

The CB&I Special General Meeting (see page 48)

Meeting (see page 48)

The CB&I Special General Meeting is scheduled to be held on May 2, 2018, at 3:00 p.m., Central European Time, at the InterContinental Amstel Amsterdam, Professor Tulpplein 1, 1018 GX Amsterdam. At the CB&I Special General Meeting, CB&I shareholders will be asked to vote on:

a resolution providing for an amendment to CB&I's amended and restated articles of association as set forth in Annex G attached hereto to remove the supermajority voting requirement for certain resolutions when any person, alone or together with a group, holds more than fifteen percent (15%) of the outstanding share capital of CB&I (the Articles Amendment Resolution).

a resolution to enter into and effectuate the Merger in accordance with the Merger Proposal (as defined in the Business Combination Agreement) (the Merger Resolution).

(a) a resolution to approve the acquisition by certain subsidiaries of McDermott of the equity of certain CB&I subsidiaries that own CB&I's technology business for cash (to the extent required by law), and (b) a resolution to approve the sale by Comet I B.V., a direct wholly owned subsidiary of CB&I, of all of the issued and outstanding shares in the capital of Comet II B.V. to McDermott Technology, B.V., a wholly owned subsidiary of McDermott (or its designee) (together, the Sale Resolutions).

a resolution to, effective as of the Share Sale Effective Time, (a) approve the dissolution of Comet I B.V., (b) approve the appointment of Stichting Vereffening Chicago Bridge & Iron Company as liquidator of Comet I B.V. and (c) approve the appointment of (an affiliate of) McDermott Technology, B.V. as the custodian of the books and records of Comet I B.V. in accordance with Section 2:24 of the Dutch Civil Code (the Liquidation Resolutions).

a resolution to, effective as of the Exchange Offer Effective Time, grant full and final discharge to each member of the CB&I Supervisory Board and the CB&I Management Board (together, the CB&I Boards) for his or her acts of supervision or management, as applicable, up to the date of the CB&I Special General Meeting (the Discharge Resolutions).

a proposal to approve, by non-binding advisory vote, the compensation that may become or has become payable to CB&I s named executive officers in connection with the Combination (the Compensation Resolution).

The Articles Amendment Resolution, the Merger Resolution, the Sale Resolutions, the Liquidation Resolutions, the Discharge Resolutions and the Compensation Resolution are collectively referred to in this document as the

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CB&I Shareholder Proposals. The approvals of the Merger Resolution, the Sale Resolutions, the Liquidation Resolutions and the Discharge Resolutions are collectively referred to in this document as the CB&I Shareholder Approval.

Record Date; Shareholders Entitled to Vote (see page 48)

The CB&I Management Board established April 4, 2018 (the CB&I Record Date) as the record date for determining shareholders entitled to vote at the CB&I Special General Meeting. This means that if you were a shareholder of record (meaning that you were registered in the CB&I share register as referred to in section 2:85 of the Dutch Civil Code, part of which is kept by Computershare Trust Company, N.A. on behalf of CB&I (the CB&I Share Register)) on the CB&I Record Date, you may vote your shares on the matters to be considered by CB&I's shareholders at the CB&I Special General Meeting, even if you already tendered your shares in the Exchange Offer. If your shares were held in street name on that date, the broker or other nominee that was the record holder of your shares has the authority to vote them at the CB&I Special General Meeting. They have forwarded to you this joint proxy statement/prospectus seeking your instructions on how you want your shares voted.

As of the close of business on March 26, 2018, approximately 102.5 million shares of CB&I Common Stock were outstanding. Each outstanding share of CB&I Common Stock entitles its holder to one vote on each matter to be acted on at the meeting.

As of the close of business on March 26, 2018, the most recent practicable date prior to the date of this joint proxy statement/prospectus, less than 1% of the outstanding shares of CB&I Common Stock were held by CB&I directors and executive officers and their affiliates. CB&I's directors and executive officers have informed CB&I that they intend, as of the date hereof, to vote their shares in favor of all of the proposals set forth above, although none has entered into any agreements obligating them to do so.

Required Vote (see page 49)

The affirmative vote of a majority of the votes cast on the matter by holders of shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting (meaning the number of shares voted FOR the proposal must exceed the number of shares voted AGAINST the proposal) is required to approve the Articles Amendment Resolution, the Sale Resolutions, the Liquidation Resolutions, the Discharge Resolutions and the Compensation Resolution at the CB&I Special General Meeting.

Assuming the Articles Amendment Resolution is adopted and implemented and so long as at least fifty percent (50%) of the issued and outstanding CB&I share capital is present at the CB&I Special General Meeting, in person or by proxy, the affirmative vote of at least a majority of the votes cast on the matter by holders of shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting (meaning the number of shares voted FOR the proposal must exceed the number of shares voted AGAINST the proposal) is required to approve the Merger Resolution. If less than fifty percent (50%) of the issued and outstanding CB&I share capital is present at the CB&I Special General Meeting, in person or by proxy, the affirmative vote of two-thirds of the votes cast on the matter by holders of shares of CB&I Common Stock outstanding and entitled to vote at the CB&I Special General Meeting is required to approve the Merger Resolution.

However, if the Articles Amendment Resolution is not adopted at the CB&I Special General Meeting and there is a person that alone or together with a group (beneficially) holds more than fifteen percent (15%) of the issued and outstanding share capital of CB&I, the affirmative vote of at least eighty percent (80%) of the shares of CB&I Common Stock outstanding is required to approve the Merger Resolution. In such case, failures to vote by CB&I

shareholders, whether or not they attend the CB&I Special General Meeting in person or by proxy,

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abstentions and broker non-votes will have the same effect as votes **AGAINST** the adoption of the Merger Resolution.

The Combination cannot be completed unless the CB&I shareholders approve the Merger Resolution, the Sale Resolutions (to the extent required by applicable law), the Liquidation Resolutions and the Discharge Resolutions.

Recommendation of the CB&I Boards (see page 48)

The CB&I Boards have approved, and recommend that CB&I shareholders vote **FOR, the Articles Amendment Resolution, the Merger Resolution, the Sale Resolutions, the Liquidation Resolutions, the Discharge Resolutions and the Compensation Resolution and accept the Exchange Offer.** For CB&I's reasons for these recommendations, see The Combination CB&I's Reasons for the Combination; Recommendation of the CB&I Boards.

Regulatory Approvals Related to the Combination (see page 124)

The Combination was subject to review by the Federal Trade Commission (the **FTC**) or the Antitrust Division of the U.S. Department of Justice, (the **Antitrust Division**), under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the **HSR Act**). Under the HSR Act, McDermott and CB&I were required to make premerger notification filings and to await the expiration or early termination of the statutory waiting period prior to completing the Combination. On January 9, 2018, McDermott and CB&I each filed a Premerger Notification and Report Form with the Antitrust Division and the FTC pursuant to the HSR Act. On January 24, 2018, the Premerger Notification Office of the FTC advised McDermott and CB&I that early termination of the HSR Act waiting period had been granted.

The Russian Law on Protection of Competition requires an application for the consent of the Federal Antimonopoly Service of the Russian Federation in connection with the Combination. Once all required documents and information have been provided, there is a 30 calendar-day initial (phase I) investigation period. At its discretion, the Federal Antimonopoly Service may extend the review period by up to two months for an in-depth (phase II) investigation. McDermott filed an application for the consent of the Russian Federal Antimonopoly Service on February 5, 2018. On March 13, 2018, the Federal Antimonopoly Service of the Russian Federation provided clearance with respect to the Combination.

Under the terms of the Business Combination Agreement, McDermott and CB&I have agreed to use (and cause their respective subsidiaries to use) their reasonable best efforts to take, or cause to be taken, all actions, and do promptly, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable under applicable laws to consummate and make effective the Combination and the other transactions contemplated by the Business Combination Agreement as promptly as practicable, including actions to obtain any necessary or advisable consents or approvals from third parties or governmental authorities. The McDermott Parties have also agreed to take all such action as may be necessary to resolve such objections, if any, that any governmental antitrust entity may assert under applicable antitrust law with respect to the transactions contemplated by the Business Combination Agreement, and to avoid or eliminate, and minimize the impact of, each impediment under antitrust law that may be asserted by any governmental antitrust entity with respect to the Combination to enable the Combination to occur as soon as reasonably possible, and in no event later than June 18, 2018, or a later date if the Termination Date (as defined below) has been extended. However, the Business Combination Agreement does not require any party to take any action with respect to any of the assets, businesses or product lines of McDermott, CB&I or any of their subsidiaries if such action, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect (as defined in the Business Combination Agreement) on the business, assets, results of operations or financial condition of McDermott, CB&I and their subsidiaries, taken as a whole. If requested by McDermott, CB&I

will agree to take any action

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necessary to facilitate the closing of the Combination, provided that the consummation of any divestiture or the effectiveness of any other remedy is conditioned on the consummation of the Combination. McDermott also has the obligation to defend any lawsuits or other legal proceedings, whether judicial or administrative, challenging the Combination or the consummation of the transactions contemplated by the Business Combination Agreement.

If the Combination has not occurred on or before the Termination Date due to the failure to obtain regulatory clearances, or if an order, decree or ruling in the United States, the Republic of Panama, Russia or the Netherlands permanently prohibits the Exchange Offer or any of the Core Transactions, the Business Combination Agreement may be terminated.

See The Business Combination Agreement Filings for more information.

Post-Combination Governance and Management (see page 148)

At the closing of the Combination, the McDermott Board will have 11 members, including (1) six persons who are current members of the McDermott Board, two of which will be Gary Luquette, the Chairman of the McDermott Board, and David Dickson, the President and Chief Executive Officer of McDermott, and (2) five persons who are current members of the CB&I Supervisory Board. The current members of the McDermott Board designated as members of the McDermott Board following the Combination pursuant to the collaborative process contemplated by the Business Combination Agreement are, in addition to Mr. Luquette and Mr. Dickson, Philippe Barril, John F. Bookout, III, William H. Schumann, III and Mary L. Shafer-Malicki. The current members of the CB&I Supervisory Board designated as members of the McDermott Board following the Combination pursuant to such process are Forbes I. J. Alexander, L. Richard Flury, W. Craig Kissel, James H. Miller and Marsha C. Williams. Gary Luquette will continue as the Non-Executive Chair of the McDermott Board. David Dickson will continue as the President and Chief Executive Officer of McDermott and Stuart Spence will continue as the Executive Vice President and Chief Financial Officer of McDermott. Patrick Mullen, President and Chief Executive Officer of CB&I, will remain with the combined business for a transition period.

Appraisal Rights (see page 126)

Neither CB&I shareholders nor CB&I Newco shareholders are entitled under Dutch law or otherwise to appraisal or dissenters' rights related to the CB&I Common Stock or CB&I Newco Common Stock in connection with the Exchange Offer or the Core Transactions.

McDermott stockholders are not entitled to appraisal or dissenters' rights with respect to any of the matters to be considered and voted on at the McDermott Special Meeting.

Interests of Certain Persons in the Combination (see page 112)

McDermott International, Inc. (see page 112)

In considering the recommendation of the McDermott Board to vote in favor of the proposals on the agenda at the McDermott Special Meeting, McDermott stockholders should be aware that McDermott's executive officers and directors have certain interests in the Combination that may be different from, in addition to, or in conflict with, the interests of the McDermott stockholders generally. These interests include, but are not limited to, the fact that such (i) executive officers are party to change-in-control agreements that provide severance benefits to such executive officers in the event their employment is terminated within one year following the closing of the Combination by McDermott for reasons other than cause or by the executive with good reason, as such terms are defined in the change-in-control

agreements and (ii) such executive officers are eligible for the McDermott Recognition Program (as defined herein), providing retention awards based on continued service and achievement of specified cost reduction targets following the Combination (estimated total value for all executive

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officers \$5,030,800). Holders of shares of McDermott Common Stock should also be aware that certain of the executive officers and directors of McDermott will continue serving as executive officers and directors of McDermott immediately following the Combination. The McDermott Board was aware of these interests during the deliberation of the merits of the Business Combination Agreement and the transactions, as applicable, and in deciding to recommend that McDermott's stockholders vote in favor of the proposals on the agenda at the McDermott Special Meeting. Please read *The Combination Interests of Certain Persons in the Combination* McDermott International, Inc.

Chicago Bridge & Iron Company N.V. (see page 117)

In considering the recommendation of the CB&I Boards to vote in favor of the proposals for resolution at the CB&I Special General Meeting, CB&I shareholders should be aware that CB&I's executive officers and directors have certain interests in the Combination that may be different from, in addition to, or in conflict with, the interests of the CB&I shareholders generally. These interests include, but are not limited to, the fact that: (1) such executive officers and directors are party to certain agreements that provide for the vesting of equity awards (estimated total value for all officers and directors: \$30.2 million) in connection with the Combination; (2) certain executive officers are eligible for severance benefits under their change-in-control agreements upon certain qualifying terminations of employment (estimated total value for all executive officers: \$28.4 million); and (3) certain executive officers are eligible to receive a retention bonus in connection with the transaction (estimated total value for all executive officers: \$805,834). The CB&I Supervisory Board and the CB&I Management Board were aware of these interests during the deliberation of the merits of the Business Combination Agreement and the transactions, and in deciding to recommend that CB&I's shareholders vote in favor of the proposals for resolution at the CB&I Special General Meeting. Please read *The Combination Interests of Certain Persons in the Combination* Chicago Bridge & Iron Company N.V.

Treatment of Equity Awards (see page 133)

At the Merger Effective Time, all outstanding unexercised options to purchase shares of CB&I Common Stock (*CB&I Options*) will immediately vest and be converted into options to purchase shares of McDermott Common Stock with the duration and terms of such converted options to remain generally the same as the original CB&I Options. The number of shares of McDermott Common Stock subject to each converted option will be determined by multiplying the number of shares of CB&I Common Stock subject to the original CB&I Option by the Exchange Offer Ratio, rounded down to the nearest whole share. The option exercise price per share of McDermott Common Stock will be equal to the option exercise price per share of CB&I Common Stock under the original CB&I Option divided by the Exchange Offer Ratio, rounded up to the nearest whole cent.

At the Merger Effective Time, each outstanding award of performance shares relating to CB&I Common Stock (each, a *CB&I Performance Share Award*) will be canceled and converted into the right to receive cash, without interest and less applicable withholding taxes, in an amount equal to (1) the product of (a) the Exchange Offer Ratio, (b) the target number of shares of CB&I Common Stock subject to the CB&I Performance Share Award and (c) the closing price for a share of McDermott Common Stock on the business day immediately preceding the Closing Date plus (2) an amount equal to any dividend equivalents associated with the CB&I Performance Share Award at that time.

At the Merger Effective Time: (1) each outstanding restricted stock unit award granted by CB&I (*CB&I Restricted Stock Unit Award*) that is held by a non-employee member of the CB&I Supervisory Board (whether or not vested); (2) each vested CB&I Restricted Stock Unit Award held by a member of a specific group of executive officers of CB&I that has not been settled; (3) each CB&I Restricted Stock Unit Award that vests in accordance with its terms as a result of the Combination; and (4) each vested share of CB&I Common Stock deferred pursuant to any CB&I equity compensation plan, will, in each case, be converted into a right to receive (a) a number of shares of McDermott Common Stock equal to the product of (i) the number of shares of CB&I Common Stock subject to the original CB&I

award and (ii) the Exchange Offer Ratio, rounded to the nearest

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whole number of shares, plus (b) cash in an amount equal to any dividend equivalents associated with the CB&I Restricted Stock Unit Award at that time, subject to applicable withholding taxes.

At the Merger Effective Time, each other outstanding CB&I Restricted Stock Unit Award will be converted into a right to receive an award of restricted stock units that will be settled in McDermott Common Stock with substantially the same terms as the original CB&I award, including the vesting schedule and any conditions and restrictions on receipt. The number of shares of McDermott Common Stock subject to the converted restricted stock unit award will be determined by multiplying the number of shares of CB&I Common Stock subject to the original CB&I Restricted Stock Unit Award by the Exchange Offer Ratio, rounded to the nearest whole number of shares. The transactions contemplated by the Business Combination Agreement will not be considered a change in control for purposes of any award of CB&I Restricted Stock Unit granted on or after December 18, 2017.

Each converted equity award will, in accordance with its terms, be subject to further adjustment as appropriate to reflect any stock split, reclassification, recapitalization or other similar transaction of McDermott Common Stock subsequent to the Merger Effective Time.

At the Merger Effective Time, McDermott will assume the CB&I equity compensation plans and thereafter be entitled to grant equity or equity-based incentive awards with respect to McDermott Common Stock using the share reserves of the CB&I equity compensation plans as of the Merger Effective Time (including any shares of McDermott Common Stock returned to such share reserves as a result of the termination or forfeiture of an assumed award granted), except that: (1) shares covered by such awards will be shares of McDermott Common Stock; (2) all references in such CB&I stock plan to a number of shares will be deemed amended to refer instead to that number of shares of McDermott Common Stock (rounded down to the nearest whole share) as adjusted pursuant to the application of the Exchange Offer Ratio; and (3) the McDermott Board or a committee thereof will succeed to the authority and responsibility of the CB&I Boards or any applicable committee thereof with respect to the administration of such CB&I equity compensation plans.

CB&I's Employee Stock Purchase Plan and Supervisory Board Stock Purchase Plan were suspended effective January 1, 2018, and such plans will be terminated effective as of, and contingent upon, the Merger Effective Time.

Financing for the Combination (see page 163)

In connection with the Business Combination Agreement, McDermott entered into or received commitment letters (including the exhibits and other attachments thereto, and together with any amendments, modifications or supplements thereto, the Commitment Letters) from certain financial institutions to provide debt financing for the Combination. Each of Barclays Bank PLC (Barclays), Crédit Agricole Corporate and Investment Bank (CACIB), Goldman Sachs Bank USA (GS), ABN AMRO Capital USA LLC (ABN), Royal Bank of Canada (RBC), The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) and Standard Chartered Bank (Standard Chartered) are arrangers and/or agents for the debt financing and have provided commitments in respect thereof (Barclays, CACIB, GS, ABN, RBC, BTMU and Standard Chartered, together with the other financial institutions providing commitments for the debt financing are collectively referred to as the Commitment Parties). Pursuant to the Commitment Letters, McDermott expects to include the following activities as part of the debt financing:

The entry into a senior secured revolving credit facility in an aggregate principal amount of \$1.0 billion (the Revolving Credit Facility);

The entry into a senior secured letter of credit facility in the aggregate face amount of \$1.39 billion (the LC Facility);

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The entry into one or more senior secured term loans in the aggregate principal amount of \$2.06 billion (the Term Loan and, together with the Revolving Credit Facility and the LC Facility, the Senior Credit Facilities), a portion of which will be cash collateralized to backstop letters of credit; and

The issuance by McDermott or one or more of its subsidiaries of senior unsecured debt securities in a private placement in the aggregate principal amount of \$1.5 billion (the Notes).

Pursuant to the Commitment Letters, the Commitment Parties have committed to provide, subject to the terms and conditions set forth therein, (1) the Senior Credit Facilities and (2) senior unsecured bridge facilities in an aggregate principal amount of up to \$1.5 billion, the availability of which will be subject to reduction upon the issuance of the Notes pursuant to the terms set forth in the Commitment Letters (the Bridge Facilities and, together with the Senior Credit Facilities, the Facilities).

Opinion of Financial Advisor to CB&I (see page 98)

CB&I retained Centerview Partners LLC (Centerview) as financial advisor to CB&I in connection with the Combination and the other transactions contemplated by the Business Combination Agreement. In connection with Centerview's engagement, the CB&I Boards requested that Centerview evaluate the fairness, from a financial point of view, to the holders of outstanding shares of CB&I Common Stock (other than shares of CB&I Common Stock held by McDermott and its affiliates, which are collectively referred to as Excluded Shares throughout this section of the document and the summary of Centerview's opinion below under the caption Opinion of CB&I's Financial Advisor) of the Exchange Offer Ratio provided for pursuant to the Business Combination Agreement. On December 17, 2017, Centerview rendered to the CB&I Supervisory Board its oral opinion, which was subsequently confirmed by delivery of a written opinion to the CB&I Boards dated December 17, 2017 that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion, the Exchange Offer Ratio provided for pursuant to the Business Combination Agreement was fair, from a financial point of view, to the holders of shares of CB&I common stock (other than Excluded Shares).

The full text of Centerview's written opinion, dated December 17, 2017, which describes the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion, is attached as Annex D and is incorporated herein by reference. **Centerview's financial advisory services and opinion were provided for the information and assistance of the CB&I Boards (in their capacity as directors and not in any other capacity) in connection with and for purposes of their consideration of the Combination and Centerview's opinion addressed only the fairness, from a financial point of view, as of the date thereof, to the holders of shares of CB&I Common Stock (other than Excluded Shares) of the Exchange Offer Ratio provided for pursuant to the Business Combination Agreement. Centerview's opinion did not address any other term or aspect of the Business Combination Agreement or the Combination and does not constitute a recommendation to any shareholder of CB&I or any other person as to how such shareholder or other person should vote with respect to the Combination or otherwise act with respect to the Combination or any other matter.**

The full text of Centerview's written opinion should be read carefully in its entirety for a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion.

Opinions of Financial Advisors to McDermott (see page 71)

Goldman Sachs & Co. LLC

Goldman Sachs & Co. LLC (Goldman Sachs) delivered its opinion to the McDermott Board that, as of December 18, 2017 and based upon and subject to the factors and assumptions set forth therein, the 2.47221, or,

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if the McDermott Reverse Stock Split has occurred prior to the date on which the Exchange Offer Effective Time occurs, 0.82407, shares of McDermott Common Stock to be paid by McDermott Bidco for each share of CB&I Common Stock pursuant to the Business Combination Agreement was fair from a financial point of view to McDermott.

The full text of the written opinion of Goldman Sachs, dated December 18, 2017, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex B. Goldman Sachs provided advisory services and its opinion for the information and assistance of the McDermott Board in connection with its consideration of the Combination. The Goldman Sachs opinion is not a recommendation as to how any holder of shares of McDermott Common Stock should vote with respect to matters related to the Combination, or any other matter. Pursuant to an engagement letter between McDermott and Goldman Sachs, McDermott has agreed to pay Goldman Sachs a transaction fee of \$16 million, all of which is contingent upon consummation of the Combination.

Greenhill & Co., LLC

Greenhill & Co., LLC (Greenhill) delivered its opinion to the McDermott Board that, as of December 18, 2017 and based upon and subject to the limitations and assumptions set forth therein, the 2.47221, or, if the McDermott Reverse Stock Split has occurred prior to the date on which the Exchange Offer Effective Time occurs, 0.82407, shares of McDermott Common Stock to be paid by McDermott Bidco for each share of CB&I Common Stock pursuant to the Business Combination Agreement was fair, from a financial point of view, to McDermott.

The full text of the written opinion of Greenhill, dated December 18, 2017, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C. We encourage you to read Greenhill's opinion, and the section The Combination Opinions of McDermott's Financial Advisors Greenhill & Co., LLC carefully and in their entirety. Greenhill provided advisory services and its opinion solely for the information and assistance of the McDermott Board in connection with its consideration of the Combination. Greenhill's opinion is not a recommendation as to how any holder of shares of McDermott Common Stock should vote with respect to matters related to the Combination, or any other matter. Pursuant to an engagement letter between McDermott and Greenhill, McDermott has agreed to pay Greenhill a transaction fee of \$16 million, \$3.2 million of which became payable upon delivery of Greenhill's opinion to McDermott's Board and the rest of which is contingent upon consummation of the Combination.

Conditions to the Combination (see page 148)

The respective obligations of each party to conduct the closing of the transactions contemplated by the Business Combination Agreement are subject to the fulfillment of the following conditions on or prior to the Closing Date:

the absence of any judgment, injunction, order or decree of any court of competent jurisdiction or a governmental entity in the United States, the Republic of Panama, Russia or the Netherlands prohibiting or enjoining the consummation of the Exchange Offer or any of the Core Transactions, and no law, statute, rule or regulation having been enacted by any governmental entity or in effect in any of those jurisdictions that prohibits or makes unlawful the consummation of the Exchange Offer or any of the Core Transactions;

the effectiveness of the registration statement of which this document is a part, and the absence of any stop order or proceeding (or threatened proceeding) by the SEC seeking a stop order relating to such effectiveness;

the CB&I Shareholder Approval and the McDermott Stockholder Approval shall have been obtained;

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the McDermott Articles Amendment (as defined herein) shall have become effective;

the approval for listing on the NYSE of the shares of McDermott Common Stock to be issued pursuant to the Combination, subject to official notice of issuance;

any waiting period applicable to the Combination under the HSR Act shall have expired or been earlier terminated and competition law merger control clearance in Russia shall have been obtained;

McDermott and CB&I shall each be reasonably satisfied that all of the conditions to funding the Financings or any applicable alternative financing arrangements shall have been satisfied or that the applicable financings shall have been funded;

performance in all material respects by each of the McDermott Parties, on the one hand, and the CB&I Parties, on the other hand, of its respective covenants and agreements required to be performed by it under the Business Combination Agreement at or prior to the Closing Date;

certain representations and warranties of the McDermott Parties, on the one hand, and the CB&I Parties, on the other hand, contained in the Business Combination Agreement being true and correct as of the date of the Business Combination Agreement and as of the Closing Date, subject to certain materiality thresholds; and

receipt by McDermott, on the one hand, and CB&I, on the other hand, of a certificate of the other party, executed on its behalf by an executive officer, certifying to the effect that the conditions referred to in the immediately preceding two bullets have been satisfied.

Termination of the Business Combination Agreement (see page 149)

The Business Combination Agreement may be terminated at any time prior to the effective time of the CB&I Technology Acquisition:

by mutual written consent of McDermott and CB&I;

by either McDermott or CB&I if:

the CB&I Technology Acquisition has not occurred on or before the Termination Date, June 18, 2018, provided that if all of the conditions to closing of the Combination, other than those pertaining to (1) the expiration of the waiting period under the HSR Act or approval from the Russian Federal Antimonopoly Service or (2) any order or injunction prohibiting the Combination under antitrust laws, have been satisfied or waived (except for those conditions that by their nature are to be satisfied at closing), then the Termination Date may be extended at the option of either McDermott or CB&I, by

no more than three months per extension, to a date not later than December 18, 2018; however, the right to terminate as a result of the Termination Date is not available to any party whose breach of any provision of the Business Combination Agreement has been the proximate cause of, or resulted in, the failure of the Combination to occur on or before the Termination Date;

the McDermott Stockholder Approval has not been obtained at the McDermott Special Meeting (including any adjournment or postponement of such meeting);

the CB&I Shareholder Approval has not been obtained at the CB&I Special General Meeting or any reconvened CB&I Special General Meeting in accordance with the provisions of the Business Combination Agreement; or

a court of competent jurisdiction or a governmental entity in the United States, the Republic of Panama, Russia or the Netherlands shall have issued a final, nonappealable order, decree or ruling permanently restraining, enjoining or otherwise prohibiting the Exchange Offer or any of the Core Transactions;

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by CB&I if:

any of the McDermott entities party to the Business Combination Agreement is in breach of the Business Combination Agreement such that the closing conditions in the Business Combination Agreement would not be satisfied and such breach is not curable prior to the Termination Date, subject to certain conditions;

CB&I enters into any agreement or arrangement providing for a Superior Proposal (as defined herein); provided, that CB&I will concurrently pay to McDermott the termination fee described below; or

at any time prior to obtaining the McDermott Stockholder Approval, there is a change in the McDermott Board's recommendation; provided, that McDermott will concurrently pay to CB&I the termination fee described below.

by McDermott if:

any of the CB&I Parties is in breach of the Business Combination Agreement such that the closing conditions in the Business Combination Agreement would not be satisfied and such breach is not curable prior to the Termination Date, subject to certain conditions;

McDermott is entering any agreement or arrangement providing for a Superior Proposal; provided, that McDermott will concurrently pay to CB&I the termination fee described below; or

at any time prior to obtaining the CB&I Shareholder Approval, there is a change in the CB&I Boards recommendation; provided, that CB&I will concurrently pay to McDermott the termination fee described below.

Termination Fees (see page 151)

Termination of the Business Combination Agreement may require CB&I or McDermott to pay a cash termination fee of \$60.0 million under certain circumstances. CB&I or McDermott will be required to pay the termination fee to the other party if:

either party terminates the Business Combination Agreement because the approval of the paying party's shareholders (the CB&I Shareholder Approval or the McDermott Stockholder Approval, as applicable) is not obtained and:

prior to such time there is a publicly announced or disclosed Acquisition Proposal (as defined herein) for the paying party by another bidder that was not withdrawn at least seven days prior to the meeting

of the paying party's shareholders; and

within one year after the date of termination, the paying party enters into a definitive agreement with respect to, or consummates, an Acquisition Proposal;

the paying party terminates the Business Combination Agreement to enter into an agreement providing for a Superior Proposal; or

the receiving party terminates the Business Combination Agreement because there is a change in recommendation of the paying party's board (the McDermott Board, in the case of McDermott, or the CB&I Boards, in the case of CB&I).

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Accounting Treatment (see page 112)

The Combination will be accounted for as a business combination in accordance with Accounting Standards Codification Topic ASC 805, *Business Combination* (ASC 805), with McDermott treated as the acquirer and CB&I treated as the acquired company for financial reporting purposes.

Listing of McDermott Shares; Delisting and Deregistration of CB&I Shares (see page 124)

As stated above, a condition to completion of the Combination is the approval for listing on the NYSE of all the shares of McDermott Common Stock to be issued in the Combination. McDermott has agreed to use its reasonable best efforts to obtain such approval from the NYSE. If the Exchange Offer and the Core Transactions are completed, CB&I intends to delist the CB&I Common Stock from the NYSE and deregister the CB&I Common Stock under the Securities Exchange Act of 1934, as amended.

Resales of McDermott Common Stock (see page 124)

The shares of McDermott Common Stock to be issued in the Combination will not be subject to any restrictions on transfer existing under the Securities Act, except for any shares issued to any CB&I shareholder who may be deemed to be an affiliate of McDermott after the completion of the Combination. This document does not cover resales of McDermott Common Stock by affiliates of McDermott or CB&I.

Litigation Relating to the Combination (see page 125)

In January, February and March 2018, five shareholders of CB&I filed separate lawsuits four as putative class actions and one on an individual basis in the United States District Court for the Southern District of Texas naming CB&I and the members of the CB&I Board of Directors as defendants and alleging violations of Sections 14(a) and 20(a) of the Exchange Act and Rule 14a-9 under the Exchange Act with respect to the registration statement to which this document forms a part. One of the putative class action lawsuits also names as defendants certain subsidiaries of CB&I and McDermott that are parties to the Business Combination Agreement and McDermott as an alleged control person of CB&I, and another also names certain current and former CB&I officers and employees individually.

Comparison of Rights of Shareholders (see page 184)

McDermott is a Panamanian corporation. CB&I is a Dutch public limited company. The shares of McDermott Common Stock that CB&I shareholders will receive in the Combination will be shares of a Panamanian corporation. McDermott stockholder rights under Panamanian law and CB&I shareholder rights under Dutch law are different. In addition, McDermott's Articles of Incorporation and Amended and Restated By-Laws contain provisions that are different from CB&I's Articles of Association.

Material differences include:

Only shareholders have the power to elect directors of a Dutch company, including to fill any vacancy. McDermott's Articles of Incorporation provide that any director vacancies will be filled only by the McDermott Board, acting by a majority of the then remaining directors, even if less than a quorum.

Under Dutch law, the affirmative vote of a majority of the votes cast on the matter by holders of shares of CB&I Common Stock is required to effectuate a merger or approve the sale of all or substantially all of CB&I's stock or assets; provided, that, pursuant to CB&I's Articles of Association, the adoption of resolutions for a merger, dissolution, liquidation or legal division requires the affirmative vote of at least 80% of all the issued and outstanding shares of CB&I Common Stock if there is a beneficial

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owner or group of beneficial owners of more than 15% of the issued and outstanding shares of CB&I Common Stock. Under McDermott's Articles of Incorporation, whenever applicable law requires the vote or consent of its stockholders to authorize or approve a sale, lease or exchange of all or substantially all McDermott's property or assets or to adopt or approve an agreement of merger or consolidation of McDermott with or into any other corporation or to merge any other corporation into McDermott, the vote of at least two-thirds of the outstanding capital stock entitled to vote on that transaction is required for any such authorization, adoption or approval.

Under McDermott's Amended and Restated By-Laws, the presence at a meeting of McDermott stockholders, in person or by proxy, of holders of a majority of the outstanding shares of McDermott Common Stock as of the record date for that meeting generally will constitute a quorum. There are no quorum requirements generally applicable to general meetings of CB&I shareholders, except that Dutch law requires a higher vote for the adoption of certain specific matters if a specified quorum is not present or represented at the CB&I general meeting.

McDermott is subject to Decree No. 45 of December 5, 1977 of the Republic of Panama, which imposes certain restrictions on offers to acquire voting securities of a corporation if, following such acquisition, the acquiror would own more than 5% of the outstanding voting securities with a market value of at least five million Balboas (approximately \$5 million). Dutch law does not include any comparable provision.

Material Tax Consequences of the Combination (see page 200)

Holders of CB&I Common Stock should read "Material Tax Consequences of the Combination" for a discussion of certain material U.S. federal income tax and Dutch dividend withholding tax consequences of the Combination to U.S. holders (as defined herein) of CB&I Common Stock. All holders of CB&I Common Stock are urged to consult their own tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the Combination.

Exchange Agent for the Merger

Computershare Trust Company, N.A. will serve as the exchange agent in connection with the Merger.

Exchange Agent for the Exchange Offer

Computershare Trust Company, N.A. will serve as the exchange agent in connection with the Exchange Offer.

The Information Agent

The information agent for the Exchange Offer is MacKenzie Partners, Inc.

Selected Historical Consolidated Financial Information of McDermott

The following table sets forth selected historical consolidated financial information of McDermott that has been derived from McDermott's Consolidated Financial Statements as of December 31, 2017, 2016, 2015, 2014 and 2013, and for the years then ended. This disclosure does not include the effects of the Combination.

You should read this financial information in conjunction with the audited Consolidated Financial Statements and the related Notes and Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations included in McDermott's Annual Report on Form 10-K for the year ended December 31, 2017 incorporated by reference in this document. See the section entitled Where You Can Find More Information

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beginning on page 219 of this document. See also the unaudited pro forma combined financial information regarding the proposed Combination set forth elsewhere in this document. McDermott's historical results are not necessarily indicative of results to be expected in future periods.

	As of and for the Years Ended December 31,				
	2017	2016	2015	2014	2013
(In thousands, except for per share amounts)					
Results of Operations Data:					
Revenues	\$ 2,984,768	\$ 2,635,983	\$ 3,070,275	\$ 2,300,889	\$ 2,658,932
Cost of operations	2,449,443	2,249,270	2,690,560	2,111,958	2,801,426
Gross Profit	535,325	386,713	379,715	188,931	(142,494)
Research and development expenses	4,946	346	724	1,055	
Selling, general and administrative expenses	198,973	178,752	217,239	208,564	193,126
Other operating (income) expenses, net	7,204	65,362	49,070	(37,090)	105,009
Operating income (loss)	324,202	142,253	112,682	16,402	(440,629)
Income (loss) from continuing operations before extraordinary items and cumulative effect of a change in accounting principle ⁽¹⁾	177,215	36,299	(8,839)	(65,394)	(489,910)
Extraordinary items and cumulative effect of a change in accounting principle					
Net income (loss)	177,215	36,299	(8,839)	(65,394)	(489,910)
Less: net (loss) income attributable to noncontrolling interest	(1,331)	2,182	9,144	10,600	18,958
Net income (loss) attributable to McDermott	\$ 178,546	\$ 34,117	\$ (17,983)	\$ (75,994)	\$ (508,868)
Income (loss) per share from continuing operations ⁽¹⁾ :					
Basic	\$ 0.65	\$ 0.14	\$ (0.08)	\$ (0.32)	\$ (2.15)
Diluted	\$ 0.63	\$ 0.12	\$ (0.08)	\$ (0.32)	\$ (2.15)
Net income (loss) per share attributable to McDermott:					
Basic	\$ 0.65	\$ 0.14	\$ (0.08)	\$ (0.32)	\$ (2.15)
Diluted	\$ 0.63	\$ 0.12	\$ (0.08)	\$ (0.32)	\$ (2.15)
Balance Sheet and Other Data:					
Total cash, restricted cash and cash equivalents	\$ 408,192	\$ 612,333	\$ 781,645	\$ 852,894	\$ 142,354

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Total current assets	1,434,250	1,332,383	1,527,278	1,487,381	1,080,200
Total non-current assets	1,788,570	1,889,847	1,859,798	1,929,498	1,723,494
Total assets	3,222,820	3,222,230	3,387,076	3,416,879	2,803,694
Current debt	24,264	48,125	24,882	23,678	39,543
Total current liabilities	706,934	709,343	824,206	857,594	1,120,984
Long-term debt	512,713	704,395	819,001	840,791	45,342
Total non-current liabilities	727,109	917,419	1,016,149	1,020,171	242,366
Noncontrolling interest	28,111	39,278	59,922	50,910	90,830
Total equity	1,788,777	1,595,468	1,546,721	1,539,114	1,440,344
Net book value per share	6.30	6.61	6.47	6.47	6.07
Ratio of earnings to fixed charges ⁽²⁾	3.98x	1.77x	1.31x		

(1) McDermott did not have discontinued operations for the periods presented.

(2) For the years ended December 31, 2014 and 2013, earnings were deficient to cover fixed charges by \$67,763 and \$443,997, respectively, primarily as a result of operating losses.

Table of Contents**Selected Historical Consolidated Financial Information of CB&I**

The following table sets forth selected historical consolidated financial information of CB&I that has been derived from CB&I's Consolidated Financial Statements as of December 31, 2017, 2016, 2015, 2014 and 2013, and for the years then ended. This disclosure does not include the effects of the Combination.

You should read this financial information in conjunction with the audited Consolidated Financial Statements and the related Notes and Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations included in CB&I's Annual Report on Form 10-K for the year ended December 31, 2017 incorporated by reference in this document. See the section entitled "Where You Can Find More Information" beginning on page 219 of this document. See also the unaudited pro forma combined financial information regarding the proposed Combination set forth elsewhere in this document. CB&I's historical results are not necessarily indicative of results to be expected in future periods.

	2017	As of and for the Years Ended December 31,			
		2016	2015	2014 ⁽²⁾	2013 ⁽²⁾
	(In thousands, except for per share amounts)				
Results of Operations Data:					
Revenue	\$ 6,673,330	\$ 8,599,649	\$ 10,630,812	\$ 10,816,517	\$ 9,430,731
Cost of revenue	6,666,218	7,722,239	9,277,318	9,515,616	8,348,830
Gross profit	7,112	877,410	1,353,494	1,300,901	1,081,901
Selling and administrative expense	275,421	298,041	336,282	358,876	333,689
Intangibles amortization	25,841	25,839	37,665	46,546	43,651
Equity earnings	(48,397)	(24,570)	(14,777)	(24,536)	(22,893)
Goodwill impairment			453,100		
Loss on net assets sold and intangible assets impairment		148,148	1,052,751		
Restructuring related costs	114,525				
Other operating (income) expense, net	(64,916)	2,411	3,060	(1,822)	2,244
Acquisition and integration related costs				31,385	80,859
(Loss) income from operations	(295,362)	427,541	(514,587)	890,452	644,351
Net (loss) income from continuing operations	(1,320,098)	379,076	(475,855)	597,238	502,212
Net (loss) income from discontinued operations	(104,463)	(618,899)	45,894	38,887	10,378
Less: net income attributable to noncontrolling interests	32,762	71,159	71,943	90,642	57,229
Less: net income attributable to noncontrolling interests discontinued operations	870	2,187	2,511	1,876	1,241
Net (loss) income attributable to CB&I	\$ (1,458,193)	\$ (313,169)	\$ (504,415)	\$ 543,607	\$ 454,120

Basic (loss) income per common share attributable to CB&I:										
Net (loss) income from continuing operations	\$	(13.40)	\$	2.99	\$	(5.13)	\$	4.69	\$	4.20
Net (loss) income from discontinued operations	\$	(1.04)	\$	(6.04)	\$	0.41	\$	0.34	\$	0.09
Diluted (loss) income per common share attributable to CB&I:										
Net (loss) income from continuing operations	\$	(13.40)	\$	2.97	\$	(5.13)	\$	4.64	\$	4.14
Net (loss) income from discontinued operations	\$	(1.04)	\$	(5.99)	\$	0.41	\$	0.34	\$	0.09
Balance Sheet and Other Data:										
Total cash, restricted cash and cash equivalents	\$	354,639	\$	490,679	\$	535,714	\$	321,306	\$	380,662
Total current assets		1,830,673		2,541,752		3,367,299		2,956,583		2,832,811
Total non-current assets		4,140,909		5,297,668		5,824,761		6,413,247		6,541,480
Total assets		5,971,582		7,839,420		9,192,060		9,369,830		9,374,291
Current debt		2,262,442		911,410		800,871		269,849		213,835
Total current liabilities		5,261,912		4,536,249		4,856,948		4,316,485		4,791,070
Long-term debt				1,287,923		1,791,832		1,553,846		1,610,863
Total non-current liabilities		491,306		1,741,834		2,171,522		2,177,042		2,075,783
Total equity		218,364		1,561,337		2,163,590		2,876,303		2,507,438
Net book value per share		2.15		15.60		20.72		26.68		23.33
Ratio of earnings to fixed charges ⁽¹⁾				4.03x				9.15x		6.43x

⁽¹⁾ For the years ended December 31, 2017 and 2015, earnings were deficient to cover fixed charges by \$552,609 and \$566,586, respectively, primarily as a result of operating losses.

⁽²⁾ Certain historical balances have been recast to reflect CB&I's adoption of ASU 2015-03 in 2016 and the impact of operations that were classified as discontinued operations as of December 31, 2017.

Table of Contents**Selected Unaudited Pro Forma Combined Financial Information**

The following unaudited pro forma combined statements of operations information for the year ended December 31, 2017 has been prepared to give effect to the Combination as if it had occurred on January 1, 2017. The unaudited pro forma combined balance sheet information as of December 31, 2017 has been prepared to give effect to the Combination as if it had occurred on December 31, 2017.

The pro forma information is not necessarily indicative of what the combined business' financial position or results of operations actually would have been had the Combination been completed as of the dates indicated. In addition, the unaudited pro forma combined financial information does not purport to project the future financial position or operating results of the combined business. Future results may vary significantly from the results reflected because of various factors, including those discussed in 'Risk Factors' beginning on page 25 of this document. The following selected unaudited pro forma combined financial information should be read in conjunction with the 'Unaudited Pro Forma Combined Financial Statements' and related notes included in this document beginning on page 167 of this document.

	Year Ended December 31, 2017 (In millions, except per share data)
Pro Forma Combined Statement of Operations Information	
Revenue	\$ 9,658
Net loss from continuing operations	(1,309)
Basic loss per share from continuing operations ⁽¹⁾	(2.48)
Diluted loss per share from continuing operations ⁽¹⁾	(2.48)
	December 31, 2017 (In millions)
Pro Forma Combined Balance Sheet Information:	
Total assets	\$ 11,462
Total debt, net of debt issuance cost, including current portion	3,438
Total liabilities	7,809
Total equity	3,653

⁽¹⁾ Effects of the proposed McDermott Reverse Stock Split are described in 'Comparative Historical and Pro Forma Per Share Information' of this document.

Combined pro forma earnings to fixed charges ratio 2017 pro forma combined earnings were deficient to cover pro forma fixed charges by \$547 million.

Table of Contents**Comparative Per Share Market Price and Dividend Information**

The following table sets forth the closing sale price per share of McDermott Common Stock and CB&I Common Stock as reported on the NYSE as of December 18, 2017, the last trading day before the public announcement of the Combination, and as of March 26, 2018, the most recent practicable trading day prior to the date of this document. The table also shows the implied value of the Combination consideration proposed for each share of CB&I Common Stock as of the same dates. This implied value was calculated by multiplying the closing sale price of a share of McDermott Common Stock on the relevant date and the exchange offer ratio of 2.47221.

	McDermott Closing Price	CB&I Closing Price	Equivalent Per Share Value
December 18, 2017	\$ 7.59	\$ 17.92	\$ 18.76
March 26, 2018	6.76	16.38	16.71

The following table sets forth, for the periods indicated, the intra-day high and low sales prices per share for McDermott Common Stock and CB&I Common Stock as reported on the NYSE, which is the principal trading market for both McDermott Common Stock and CB&I Common Stock, and the cash dividends declared per share of McDermott Common Stock and CB&I Common Stock.

The market prices of McDermott Common Stock and CB&I Common Stock will fluctuate between the date of this document and the completion of the Combination. No assurance can be given concerning the market prices of McDermott Common Stock or CB&I Common Stock before the completion of the Combination or McDermott Common Stock after the completion of the Combination. Because the Exchange Offer Ratio is fixed in the Business Combination Agreement, the market value of the McDermott Common Stock that CB&I shareholders will receive in connection with the Combination may vary significantly from the prices shown in the table above. Accordingly, CB&I shareholders are advised to obtain current market quotations for McDermott Common Stock and CB&I Common Stock before deciding whether to vote for adoption of the Business Combination Agreement.

	McDermott Common Stock			CB&I Common Stock		
	Price Range		Cash Dividends	Price Range		Cash Dividends
	High	Low	Declared	High	Low	Declared
2018						
First quarter (through March 26, 2018)	\$ 9.07	\$ 6.60	\$	\$ 21.94	\$ 16.14	\$
2017						
Fourth Quarter	7.85	6.05		18.72	13.76	
Third Quarter	7.73	5.56		20.20	9.55	
Second Quarter	7.23	5.90		31.69	12.91	0.07
First Quarter	8.33	6.08		36.15	28.40	0.07
2016						
Fourth Quarter	8.21	4.93		36.56	26.55	0.07
Third Quarter	5.40	4.41		39.71	26.12	0.07
Second Quarter	5.19	3.53		41.33	32.16	0.07

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First Quarter	4.44	2.20	39.82	31.30	0.07
2015					
Fourth Quarter	6.00	3.18	46.39	36.75	0.07
Third Quarter	5.37	3.02	53.73	36.23	0.07
Second Quarter	5.93	3.86	59.45	44.00	0.07
First Quarter	3.91	2.10	50.12	32.16	0.07
2014					
Fourth Quarter	5.72	2.21	58.21	37.37	0.07
Third Quarter	8.12	5.65	70.27	57.54	0.07
Second Quarter	8.43	6.58	89.22	64.67	0.07
First Quarter	9.36	7.25	87.41	70.76	0.07

Table of Contents**Comparative Historical and Pro Forma Per Share Information**

The table below summarizes unaudited per share information for McDermott on a historical basis and on a pro forma combined basis reflecting the proposed Combination and the effects of the proposed McDermott Reverse Stock Split. The Exchange Offer Ratio for the pro forma computations is 2.47221 shares of McDermott Common Stock per share of CB&I Common Stock. You should read the information below, together with the financial statements and related notes of McDermott and CB&I appearing elsewhere in this document and the unaudited pro forma combined financial data included under **Unaudited Pro Forma Combined Financial Statements**. You should not rely on this historical or pro forma information as being indicative of the historical results that would have been achieved had the companies always been combined or of the future results of McDermott. The historical net book value per share is computed by dividing total stockholders' or shareholders' equity by the number of shares outstanding at the end of the period, excluding any shares held in treasury. The unaudited pro forma combined earnings per share value, in the **Combined Business Pro Forma** column below, is computed by dividing pro forma earnings from continuing operations available to holders of McDermott shares by the pro forma weighted average number of shares outstanding. The unaudited pro forma combined net book value per share is computed by dividing total pro forma stockholders' or shareholders' equity by the pro forma number of shares outstanding at the end of the period.

	Year Ended December 31, 2017			
	McDermott		CB&I	
	Combined Business Pro Forma		Equivalent Pro Forma ⁽¹⁾	
	Historical	Forma	Historical	Forma ⁽¹⁾
Prior to reverse stock split				
Basic income (loss) per share from continuing operations	\$ 0.65	\$ (2.48)	\$ (13.40)	\$ (6.13)
Diluted income (loss) per share from continuing operations	0.63	(2.48)	(13.40)	(6.13)
Cash dividends per share			0.14	
Book value per share at period end ⁽²⁾	6.30	6.93	2.15	17.13
Effect of the reverse stock split				
Basic income (loss) per share from continuing operations	1.95	(7.44)		
Diluted income (loss) per share from continuing operations	1.89	(7.44)		
Book value per share at period end	18.90	20.79		

- (1) Pro forma CB&I equivalent per share amounts were calculated by multiplying the pro forma combined per share amounts by the Exchange Offer Ratio of 2.47221 provided for in the Business Combination Agreement.
- (2) Historical book value per share is computed by dividing shareholders' equity by the number of shares of McDermott Common Stock or CB&I Common Stock outstanding. Pro forma combined book value per share is computed by dividing pro forma combined stockholders' or shareholders' equity by the pro forma number of shares of McDermott Common Stock outstanding.

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RISK FACTORS

*Before deciding how to vote (if you are a CB&I shareholder or a McDermott stockholder), or to tender your shares in the Exchange Offer (if you are a CB&I shareholder), you should carefully review and consider the risks described below, those described in the section entitled **Cautionary Statement Regarding Forward-Looking Statements** and the other information contained in this document or in the documents that McDermott and CB&I incorporate by reference into this document, particularly the risk factors set forth in the documents of McDermott and CB&I incorporated by reference into this document. In addition, you should read and consider the risks associated with each of the businesses of McDermott and CB&I because these risks will also affect McDermott, as the combined business, following completion of the Combination. See the section entitled **Where You Can Find More Information**. In addition to the risks set forth below, new risks may emerge from time to time and it is not possible to predict all risk factors, nor can McDermott or CB&I assess the impact of all factors on the Combination and the combined business following the Combination or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in or implied by any forward-looking statements.*

Risks Relating to the Combination

The Exchange Offer Ratio is fixed and will not be adjusted in the event of any change in either CB&I or McDermott's stock price.

In the Exchange Offer (as defined in the Business Combination Agreement, dated as of December 18, 2017, by and among McDermott, CB&I and the other parties thereto (as it may be amended or supplemented from time to time, the Business Combination Agreement)), CB&I shareholders will be offered to exchange each of their issued and outstanding shares of CB&I common stock, par value EUR 0.01 per share (CB&I Common Stock) for 2.47221 shares of McDermott common stock, par value \$1.00 per share (McDermott Common Stock) or, if the McDermott Reverse Stock Split (as defined herein) has occurred, 0.82407 shares of McDermott Common Stock, plus cash in lieu of any fractional shares (collectively, the Per Share Consideration). Additionally, pursuant to the transactions contemplated by the Business Combination Agreement, CB&I shareholders that do not tender their shares of CB&I Common Stock in the Exchange Offer will, if the Combination is completed, ultimately receive the same Per Share Consideration, subject to applicable withholding taxes, including Dutch dividend withholding tax (the Dutch Dividend Withholding Tax) under the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) to the extent the Liquidation Distribution (as defined herein) exceeds the average paid-in capital recognized for Dutch dividend withholding tax purposes of the shares of CB&I Newco common stock (CB&I Newco Common Stock). The Exchange Offer Ratio is fixed in the Business Combination Agreement and will not be adjusted for changes in the market price of either CB&I Common Stock or McDermott Common Stock. As such, the value of the Per Share Consideration will depend in part on the price per share of McDermott Common Stock at the time the Exchange Offer and the Combination (as defined in the Business Combination Agreement) are completed. Changes in the price of McDermott Common stock prior to the expiration of the Exchange Offer and the completion of the Combination will affect the market value of the Per Share Consideration that CB&I shareholders will become entitled to receive in the Combination. Neither party is permitted to abandon the Combination or terminate the Business Combination Agreement solely because of changes in the market price of either party's common stock. Stock price changes may result from a variety of factors (many of which are beyond CB&I's or McDermott's control), including:

changes in CB&I's and McDermott's respective business, operations and prospects;

changes in market assessments of the business, operations and prospects of either company;

market assessments of the likelihood that the Combination will be completed, including related considerations regarding regulatory approvals of the Combination;

interest rates, general market, industry, economic and political conditions and other factors generally affecting the price of CB&I's and McDermott's common stock; and

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federal, state, local and foreign legislation, governmental regulation and legal developments impacting the industries in which CB&I and McDermott operate.

The price of McDermott Common Stock at the closing of the Combination may vary from its price on the date the Business Combination Agreement was executed, on the date of this document and on the date of the CB&I Special General Meeting. As a result, the market value represented by the Exchange Offer Ratio will also vary. For example, based on the range of closing prices of McDermott Common Stock during the period from December 18, 2017 (the last trading day before the public announcement of the Combination), through March 26, 2018 (the most recent practicable trading day before the date of this document), the Exchange Offer Ratio represented a market value ranging from a low of \$16.14 to a high of \$22.20 for each share of CB&I Common Stock.

Because the date that the Combination is completed will be later than the date of the CB&I Special General Meeting, at the time of the CB&I Special General Meeting, CB&I shareholders will not know the exact market value of the shares of McDermott Common Stock that they will receive upon completion of the Combination.

If the price of McDermott Common Stock declines between the date of the CB&I Special General Meeting and the completion of the Combination, including for any of the reasons described above, CB&I shareholders will receive shares of McDermott Common Stock that have a market value upon completion of the Combination that is less than the market value calculated pursuant to the Exchange Offer Ratio on the date of the CB&I Special General Meeting. Therefore, while the number of shares of McDermott Common Stock to be issued and delivered in exchange for each share of CB&I Common Stock is fixed, CB&I shareholders cannot be sure of the market value of the shares of McDermott Common Stock they will receive upon completion of the Combination. In addition, the market value of the shares of McDermott Common Stock that CB&I shareholders will be entitled to receive in the Combination also will continue to fluctuate after the completion of the Combination and CB&I shareholders could lose the value of their investment in McDermott Common Stock.

The market price for McDermott Common Stock may be affected by factors different from those that historically have affected the market price of CB&I Common Stock and McDermott Common Stock individually.

Upon completion of the Combination, CB&I shareholders will become McDermott stockholders. McDermott's business differs from that of CB&I, and accordingly the results of operations of McDermott will be affected by certain factors that are different from those currently affecting the results of operations of CB&I and currently affecting the results of operations of McDermott individually. For a discussion of the businesses of McDermott and CB&I and of some important factors to consider in connection with those businesses, see the section entitled "Where You Can Find More Information" for the location of information incorporated by reference into this document.

CB&I shareholders will have a significantly reduced ownership and voting interest after the Combination and will exercise less influence over management.

Immediately after the completion of the Combination, it is expected that CB&I shareholders, who collectively own 100% of CB&I, will own approximately 47% of McDermott based on the number of shares of CB&I Common Stock and McDermott Common Stock outstanding, assuming all CB&I shareholders participate in the Exchange Offer (such that their share ownership would not be reduced as a result of withholding for the Dutch Dividend Withholding Tax). Consequently, CB&I shareholders will have less influence over the management and policies of McDermott than they currently have over the management and policies of CB&I.

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McDermott stockholders will have a significantly reduced ownership and voting interest after the Combination and will exercise less influence over management.

Immediately after the completion of the Combination, it is expected that McDermott stockholders, who collectively own 100% of McDermott, will own approximately 53% of McDermott based on the number of shares of CB&I Common Stock and McDermott Common Stock outstanding, assuming all CB&I shareholders participate in the Exchange Offer (such that their share ownership would not be reduced as a result of withholding for the Dutch Dividend Withholding Tax). Consequently, McDermott stockholders will have less influence over the management and policies of McDermott following completion of the Combination than they currently have over the management and policies of McDermott.

The unaudited pro forma combined financial statements included in this document are presented for illustrative purposes only and the actual financial condition and results of operations of McDermott following the Combination may differ materially.

The unaudited pro forma combined financial statements contained in this document are presented for illustrative purposes only, are based on various adjustments, assumptions and preliminary estimates, and may not be an indication of McDermott's financial condition or results of operations following the Combination for several reasons. The actual financial condition and results of operations of McDermott following the Combination may not be consistent with, or evident from, these unaudited pro forma combined financial statements. In addition, the assumptions used in preparing the unaudited pro forma financial information may not prove to be accurate, and other factors may affect McDermott's financial condition or results of operations following the Combination. Any potential decline in McDermott's financial condition or results of operations may cause significant variations in the price of McDermott Common Stock. For more information, see the Unaudited Pro Forma Financial Statements included in this document.

The fairness opinions obtained by the McDermott Board and the CB&I Boards from their respective financial advisors will not reflect changes in circumstances between signing the Business Combination Agreement and the completion of the Combination.

Changes in the operations and prospects of McDermott or CB&I, general market and economic conditions and other factors that may be beyond the control of McDermott or CB&I, and on which the fairness opinions were based, may alter the value of McDermott or CB&I or the price of shares of McDermott Common Stock or shares of CB&I Common Stock by the time the Combination is completed. In particular, the forward-looking financial information provided by McDermott and CB&I to their financial advisors at the time of such opinions did not reflect the impact of recent U.S. tax legislation (informally known as the Tax Cuts and Jobs Act), enacted on December 22, 2017, which, among other things, decreased the U.S. corporate income tax rate from 35% to 21%, before state and local income taxes. The opinions do not speak as of the time the Combination will be completed or as of any date other than the dates of such opinions. The opinions are included as Annexes B, C and D to this document. For a description of the opinions that the McDermott Board received from its financial advisors, see the sections entitled "The Combination Opinions of McDermott's Financial Advisors" beginning on page 71. For a description of the opinion that the CB&I Boards received from their financial advisor, see the section entitled "The Combination Opinion of CB&I's Financial Advisor" beginning on page 97.

CB&I's directors and executive officers have interests in the Combination that may be different from, and in addition to, the interests of other CB&I shareholders.

Executive officers of CB&I negotiated the terms of the Business Combination Agreement with their counterparts at McDermott. In considering this fact and the other information contained in this document, you should be aware that

CB&I's directors and executive officers are parties to agreements or participants in other arrangements that give them interests in the Combination that may be different from, or conflict with, the interests of the other shareholders of CB&I, which could create conflicts of interest with other shareholders in

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their determinations to recommend the Combination. These interests include, but are not limited to, the fact that: (1) executive officers and directors are party to certain agreements that provide for the vesting of equity awards (estimated total value for all officers and directors: \$30.2 million) in connection with the Combination; (2) certain executive officers are eligible for severance benefits under their change in control agreements upon certain qualifying terminations of employment (estimated total value for all executive officers: \$28.4 million); and (3) certain executive officers are eligible to receive a retention bonus in connection with the transaction (estimated total value for all executive officers: \$805,834). The CB&I Supervisory Board and the CB&I Management Board (together, the CB&I Boards) were aware of these interests and considered them, among other matters, in approving the Business Combination Agreement and the transactions contemplated thereby and making their recommendation that CB&I's shareholders vote in favor of the proposals for resolution at the CB&I Special General Meeting. CB&I shareholders should consider these interests in voting on the proposals. See the sections entitled The Combination Interests of Certain Persons in the Combination Chicago Bridge & Iron Company N.V. for additional details regarding these interests.

McDermott's directors and executive officers have interests in the Combination that may be different from, and in addition to, the interests of other McDermott stockholders.

Executive officers of McDermott negotiated the terms of the Business Combination Agreement with their counterparts at CB&I. In considering this fact and the other information contained in this document, you should be aware that McDermott's directors and executive officers are parties to agreements or participants in other arrangements that give them interests in the Combination that may be different from, or in addition to, the interests of the other stockholders of McDermott, which could create conflicts of interest in their determinations to recommend the Combination. The McDermott Board of Directors (the McDermott Board) was aware of these interests and considered them, among other matters, in approving the Business Combination Agreement and the transactions contemplated thereby and making its recommendation that McDermott's stockholders vote in favor of the proposals on the agenda at the McDermott Special Meeting. McDermott stockholders should consider these interests in voting on the proposals. See the section entitled The Combination Interests of Certain Persons in the Combination McDermott International, Inc. for additional details regarding these interests.

McDermott and CB&I will be subject to business uncertainties and certain operating restrictions until completion of the Combination.

In connection with the pending Combination, some of the suppliers and customers of CB&I and/or McDermott may delay or defer sales and contracting decisions, which could negatively impact revenues, earnings and cash flows regardless of whether the Combination is completed. Additionally, CB&I and McDermott have each agreed in the Business Combination Agreement to refrain from taking certain actions with respect to their business and financial affairs during the pendency of the Combination, which restrictions could be in place for an extended period of time if completion of the Combination is delayed and could adversely impact CB&I's and McDermott's ability to execute certain of their business strategies and their financial condition, results of operations or cash flows. See the section entitled The Business Combination Agreement Conduct of Business Pending the Exchange Offer Effective Time for a description of the restrictive covenants to which each of McDermott and CB&I is subject.

CB&I and McDermott may be unable to attract and retain key employees during the pendency of the Combination.

In connection with the pending Combination, current and prospective employees of CB&I or McDermott may experience uncertainty about their future roles with the combined business following the Combination, which may materially adversely affect the ability of CB&I and McDermott to attract and retain key personnel during the

pendency of the Combination. Key employees may depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined business following the Combination.

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Accordingly, no assurance can be given that CB&I or McDermott will be able to attract and retain key employees to the same extent that CB&I or McDermott, as applicable, has been able to in the past.

The ability of CB&I and McDermott to complete the Combination is subject to the approval of CB&I shareholders and the McDermott stockholders, certain closing conditions and the receipt of consents and approvals from government entities which may impose conditions that could adversely affect CB&I or McDermott or cause the Combination to be abandoned.

The Business Combination Agreement contains certain closing conditions, including approval of certain proposals by CB&I shareholders and McDermott stockholders, the absence of injunctions or other legal restrictions, the availability of financing related to the Combination and that no material adverse effect shall have occurred with respect to either company.

We can provide no assurance that the various closing conditions will be satisfied and that the necessary approvals will be obtained, or that any required conditions will not materially adversely affect the combined business following the Combination. In addition, we can provide no assurance that these conditions will not result in the abandonment or delay of the Combination.

Failure to complete the Combination, or failure to complete the Combination in the anticipated timeframe, could negatively impact CB&I and McDermott.

If the Combination is not completed, the ongoing businesses and the market price of the common stock of CB&I and/or McDermott may be adversely affected and CB&I and McDermott will be subject to several risks, including CB&I being required, under certain circumstances, to pay McDermott a termination fee of \$60 million; McDermott being required, under certain circumstances, to pay CB&I a termination fee of \$60 million; CB&I or McDermott having to pay certain costs relating to the Combination; and diverting the focus of management from pursuing other opportunities that could be beneficial to each of CB&I and McDermott, in each case, without realizing any of the benefits which might have resulted had the Combination been completed.

Additionally, completion of the Combination is a requirement of certain of CB&I's indebtedness agreements. There is no guarantee that the Combination will be completed or will be completed within the timeline required by CB&I's indebtedness agreements. The timeline will be affected by events outside of CB&I's and McDermott's control, such as the availability of financing related to the Combination or third party consents, which may be delayed or may not be obtained on acceptable terms. The failure to consummate the Combination within the prescribed timeframe would result in a default under CB&I's debt agreements, and CB&I's debt becoming immediately due, unless further amendments or waivers are obtained.

The Business Combination Agreement contains restrictions on the ability of each of CB&I and McDermott to pursue other alternatives to the Combination.

The Business Combination Agreement contains non-solicitation provisions that, subject to limited exceptions, restrict the ability of each of CB&I and McDermott to solicit, initiate or knowingly encourage or facilitate any competing acquisition proposal. Further, subject to limited exceptions, consistent with applicable law, the Business Combination Agreement provides that the CB&I Boards and the McDermott Board will not withdraw, modify or qualify, or propose publicly to withhold, withdraw, modify or qualify, in any manner adverse to the other party or its affiliates its recommendation that its shareholders or stockholders, as applicable, vote in favor of the proposals to be adopted at the CB&I Special General Meeting or the McDermott Special Meeting, as applicable. In specified circumstances, each party has a right to negotiate with the other in order to match any competing acquisition proposals that may be made.

Although the CB&I Boards, and the McDermott Board are permitted to take certain actions in response to a superior proposal or an acquisition proposal that is reasonably likely to result in a superior proposal if there is a determination by such Board(s) that the failure to do so would be inconsistent with its fiduciary duties, doing so in specified situations could result in such party paying to the

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other party a termination fee of \$60 million. See the section entitled “The Business Combination Agreement – No Solicitation; Recommendation,” the section entitled “The Business Combination Agreement – Termination, Amendment and Waiver – Termination” and the section entitled “The Business Combination Agreement – Termination, Amendment and Waiver – Termination Fee” for a more complete discussion of these restrictions and consequences.

Such provisions could discourage a potential acquiror that might have an interest in making a proposal from considering or proposing any such acquisition, even if it were prepared to pay consideration with a higher value than that to be provided in the Combination. There also is a risk that the requirement to pay the termination fee in certain circumstances may result in a potential acquiror proposing to pay a lower per share price to acquire CB&I than it might otherwise have proposed to pay.

Holders of shares of CB&I Common Stock who receive shares of McDermott Common Stock pursuant to the Liquidation rather than the Exchange Offer generally will be subject to Dutch Dividend Withholding Tax.

Although the consideration to be received by holders of shares of CB&I Common Stock pursuant to the Exchange Offer and the Liquidation is the same, the receipt of McDermott Common Stock pursuant to the Liquidation will be subject to the Dutch Dividend Withholding Tax. Under Dutch law, the Liquidation Distribution will generally be subject to a 15% Dutch dividend withholding tax to the extent it exceeds the recognized paid-up capital (for Dutch dividend withholding tax purposes) of the shares of CB&I Newco Common Stock. Application of the Dutch Dividend Withholding Tax will cause the net value of the consideration to be received by CB&I shareholders in the Liquidation to be less than the net value of the consideration such CB&I shareholders would have received had they tendered their shares of CB&I Common Stock in the Exchange Offer.

Please see the sections entitled “McDermott Common Stock Sale to Satisfy Dutch Dividend Withholding Tax Obligations” and “Material Tax Consequences of the Combination – Dutch Dividend Withholding Tax” for additional information.

There can be no assurances that holders of shares of CB&I Common Stock will not be required to recognize gain for U.S. federal income tax purposes upon the exchange of shares of CB&I Common Stock for shares of McDermott Common Stock in the Combination.

Although McDermott and CB&I have agreed to use commercially reasonable efforts to cause the Merger and the related elements of the Combination, taken together, to qualify as one or more “reorganizations” within the meaning of Section 368(a) of the Internal Revenue Code, there can be no assurance that the Merger and related elements of the Combination will so qualify. In addition, the completion of the Combination is not conditioned on qualification as a “reorganization” or upon the receipt of an opinion of counsel or IRS ruling to that effect. U.S. holders (as defined under “Material Tax Consequences of the Combination”) of shares of CB&I Common Stock will be required to recognize gain for U.S. federal income tax purposes on the receipt of shares of McDermott Common Stock if the Merger and the related elements of the Combination, taken together, fail to qualify as one or more “reorganizations” within the meaning of Section 368(a) of the Internal Revenue Code.

Litigation filed against CB&I or McDermott in connection with the Combination could result in an injunction preventing the consummation of the Combination or may adversely affect McDermott’s business, financial condition or results of operations following the Combination.

In January, February and March 2018, five shareholders of CB&I filed separate lawsuits – four as putative class actions and one on an individual basis – naming CB&I and the members of the CB&I Board of Directors as defendants and alleging violations of Sections 14(a) and 20(a) of the Exchange Act and Rule 14a-9 under the Exchange Act with

respect to the registration statement of which this document forms a part. One of the putative

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class action lawsuits also names as defendants certain subsidiaries of CB&I and McDermott that are parties to the Business Combination Agreement and McDermott as an alleged control person of CB&I, and another also names certain current and former CB&I officers and employees individually. These or any similar litigation proceedings could result in an injunction preventing the consummation of the Combination. In addition, the defense or settlement of any lawsuit or claim that remains unresolved at the time the Combination closes may adversely affect McDermott's business, financial condition or results of operations following the Combination. See The Combination Litigation Relating to the Combination beginning on page 125 for more detail.

Risks Relating to the Combined Business Following Completion of the Combination

McDermott may fail to realize the anticipated benefits of the Combination.

The success of the Combination will depend on, among other things, McDermott's ability to combine its business with that of CB&I in a manner that facilitates growth opportunities and realizes anticipated synergies. However, McDermott must successfully combine the businesses of McDermott and CB&I in a manner that permits these benefits to be realized. In addition, McDermott must achieve the anticipated synergies without adversely affecting current revenues and investments in future growth. If McDermott is not able to successfully achieve these objectives, the anticipated benefits of the Combination may not be realized fully, or at all, or may take longer to realize than expected.

The combined business could incur substantial expenses related to the Combination and the integration of CB&I and McDermott.

McDermott and CB&I expect that the combined business will incur substantial expenses in connection with the Combination and the integration of their respective businesses, policies, procedures, operations, technologies and systems. There are a large number of systems that must be integrated, including information management, purchasing, accounting and finance, sales, billing, payroll and benefits, fixed asset and lease administration systems and regulatory compliance. There are a number of factors beyond the control of either party that could affect the total amount or the timing of all of the expected integration expenses. Moreover, many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. These expenses could, particularly in the near term, reduce the savings that McDermott expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings and revenue enhancements related to the integration of the businesses following the completion of the Combination, and accordingly, any anticipated net benefits may not be achieved in the near term or at all. These integration expenses may result in the combined business taking significant charges against earnings following the completion of the Combination.

Following the Combination, the combined business may be unable to integrate CB&I's and McDermott's businesses successfully and realize the anticipated benefits of the Combination.

The Combination involves the combination of two businesses that historically have operated and currently operate as independent public companies.

The success of McDermott's acquisition of CB&I will depend in large part on the success of the management of the combined business in integrating the operations, strategies, technologies and personnel of the two companies following the completion of the Combination. McDermott may fail to realize some or all of the anticipated benefits of the Combination if the integration process takes longer than expected or is more costly than expected. The failure of McDermott to meet the challenges involved in successfully integrating the operations of CB&I or to otherwise realize any of the anticipated benefits of the Combination, including additional cost savings and synergies, could impair the

operations of McDermott. The combined business will be required to devote management attention and resources to integrating McDermott's and CB&I's business practices and operations, and prior to the completion of the Combination, management attention and resources will be required to plan for such integration.

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Potential issues and difficulties the combined business may encounter in the integration process include the following:

the inability to integrate the respective businesses of CB&I and McDermott in a manner that permits the combined business to achieve the cost savings, operating synergies and follow-on opportunities anticipated to result from the Combination, which could result in the anticipated benefits of the Combination not being realized partly or wholly in the time frame currently anticipated or at all;

lost sales and customers as a result of certain customers of either or both of the two companies deciding not to do business with the combined business, or deciding to decrease their amount of business in order to reduce their reliance on a single company;

integrating personnel from the two companies while maintaining focus on safety and providing consistent, high quality products and customer service;

potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the Combination; and

performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the Combination and integrating the companies' operations.

Business issues currently faced by one company may be imputed to the operations of the other company.

To the extent that either McDermott or CB&I currently has or is perceived by customers to have operational challenges, such as on-time performance, quality, safety issues or workforce issues, those challenges may raise concerns by existing customers of the other company following the Combination, which may limit or impede McDermott's future ability to obtain additional work from those customers.

Failure to retain key employees and skilled workers could adversely affect McDermott following the Combination.

McDermott's performance following the Combination could be adversely affected if the combined business is unable to retain certain key employees and skilled workers of CB&I or McDermott. It is possible that these employees may decide not to remain with CB&I or McDermott while the Combination is pending or with the combined business after the Combination is consummated. The loss of the services of one or more of these key employees and skilled workers could adversely affect McDermott's future operating results because of their experience and knowledge of CB&I's business or McDermott's business, as applicable. In addition, current and prospective employees of McDermott and CB&I may experience uncertainty about their future roles until after the Combination is completed. This may adversely affect the ability of McDermott and CB&I to attract and retain key personnel, which could adversely affect McDermott's performance following the Combination.

In connection with the Combination, the combined business will incur or assume substantial indebtedness, which could adversely affect the combined business, including by inhibiting the combined business' flexibility and imposing significant interest expense on the combined business.

The combined business will have a substantial amount of indebtedness and debt service requirements. As of December 31, 2017, the combined business' outstanding indebtedness, assuming that the closing of the Combination had occurred on that date and the anticipated incurrence and assumption and extinguishment of indebtedness in connection therewith had been completed, would have been approximately \$3.6 billion. In addition, the combined business will have significant obligations with respect to the letters of credit, surety bonds and bank guaranties. Such indebtedness and obligations could have the effect, among other things, of inhibiting the combined business' flexibility to respond to changing business and economic conditions and imposing significant interest expense. In addition, the amount of cash required to pay interest on the combined business' indebtedness following completion of the Combination, and thus the demands on the combined business' cash

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resources, will be significant. The levels of indebtedness following completion of the Combination could therefore reduce funds available for working capital, capital expenditures, acquisitions and other general corporate purposes and may create competitive disadvantages for the combined business relative to other companies with lower debt levels. In addition, concerns about the debt levels of the combined business could have an adverse impact on our ability to obtain new contract awards from customers, and on the commercial terms we obtain from customers, including with respect to letter of credit and performance guaranty requirements.

In connection with the debt financing for the Combination, it is anticipated that McDermott will seek ratings of its indebtedness from one or more nationally recognized credit rating agencies. Such credit ratings will reflect each rating organization's opinion of the combined business' financial strength, operating performance and ability to meet its debt obligations. Such credit ratings will affect the cost and availability of future borrowings and, accordingly, its cost of capital. There can be no assurance that the combined business will achieve a particular rating or maintain a particular rating in the future.

McDermott may be required to raise additional financing for working capital, capital expenditures, acquisitions or other general corporate purposes. McDermott's ability to arrange additional financing or refinancing will depend on, among other factors, McDermott's financial position and performance, as well as prevailing market conditions and other factors beyond McDermott's control. McDermott cannot assure you that it will be able to obtain additional financing or refinancing on terms acceptable to McDermott or at all.

The agreements that will govern the indebtedness to be incurred or assumed in connection with the Combination will contain various covenants that impose restrictions on McDermott and certain of its subsidiaries that may affect their ability to operate the combined business.

The agreements that will govern the indebtedness to be incurred in connection with the Combination may contain various affirmative and negative covenants that will, subject to certain significant exceptions, restrict the ability of McDermott and certain of its subsidiaries to, among other things, have liens on their property, incur indebtedness, make investments and acquisitions, make dividends and other distributions, change the nature of their business, transact business with affiliates, merge or consolidate and sell or convey their assets. In addition, some of the agreements that govern the debt financing will contain covenants that will require McDermott to maintain certain financial ratios. The ability of McDermott and its subsidiaries to comply with these provisions may be affected by events beyond their control. Failure to comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate McDermott's repayment obligations.

McDermott is expected to record a significant amount of goodwill as a result of the Combination, and such goodwill could become impaired in the future.

In accordance with Accounting Standards Codification Topic ASC 805, Business Combinations, the Combination will be accounted for following the acquisition method of accounting for business combinations. McDermott will record net tangible and identifiable intangible assets acquired and liabilities assumed from CB&I at their respective fair values as of the date of the closing of the Combination. Any excess of the purchase price over the fair value of the identifiable assets of CB&I will be recorded as goodwill.

McDermott will be required to assess goodwill for impairment at least annually. To the extent goodwill becomes impaired, McDermott may be required to incur material charges relating to such impairment. Such a potential impairment charge could have a material impact on McDermott's future operating results and statements of financial position.

The shares of McDermott Common Stock to be received by CB&I shareholders as a result of the Combination will have different rights from shares of CB&I Common Stock.

Following completion of the Combination, CB&I shareholders will no longer be shareholders of CB&I but will instead be shareholders of McDermott. McDermott is incorporated in Panama, and is consequently subject to

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Panamanian corporate law, while CB&I is incorporated in the Netherlands and is thus subject to Dutch corporate law. There are important differences between the rights of CB&I shareholders and the rights of McDermott stockholders under applicable law and the organizational documents for each entity.

Material differences include:

Only shareholders have the power to elect directors of a Dutch company, including to fill any vacancy. McDermott's Articles of Incorporation provide that any director vacancies will be filled only by the McDermott Board, acting by a majority of the then remaining directors, even if less than a quorum.

Under Dutch law, the affirmative vote of a majority of the votes cast on the matter by holders of shares of CB&I Common Stock is required to effectuate a merger or approve the sale of all or substantially all of CB&I's stock or assets; provided, that, pursuant to CB&I's Articles of Association the adoption of resolutions for a merger, dissolution, liquidation or legal division requires the affirmative vote of at least 80% of all the issued and outstanding shares of CB&I Common Stock if there is a beneficial owner or group of beneficial owners of more than 15% of the issued and outstanding shares of CB&I Common Stock. Under McDermott's Articles of Incorporation, whenever applicable law requires the vote or consent of its stockholders to authorize or approve a sale, lease or exchange of all or substantially all McDermott's property or assets or to adopt or approve an agreement of merger or consolidation of McDermott with or into any other corporation or to merge any other corporation into McDermott, the vote of at least two-thirds of the outstanding capital stock entitled to vote on that transaction is required for any such authorization, adoption or approval.

Under McDermott's Amended and Restated By-Laws, the presence at a meeting of McDermott stockholders, in person or by proxy, of holders of a majority of the outstanding shares of McDermott Common Stock as of the record date for that meeting generally will constitute a quorum. There are no quorum requirements generally applicable to general meetings of CB&I shareholders, except that Dutch law requires a higher vote for the adoption of certain specific matters if a specified quorum is not present or represented at the CB&I general meeting.

McDermott is subject to Decree No. 45 of December 5, 1977 of the Republic of Panama, which imposes certain restrictions on offers to acquire voting securities of a corporation if, following such acquisition, the acquiror would own more than 5% of the outstanding voting securities with a market value of at least five million Balboas (approximately \$5 million). Dutch law does not include any comparable provision.

See "Comparison of Shareholder Rights" for a discussion of the different rights associated with McDermott Common Stock and CB&I Common Stock.

Other Risks Relating to CB&I and McDermott

McDermott and CB&I are, and following completion of the Combination, McDermott and its subsidiaries will continue to be, subject to the risks described above. In addition, McDermott is, and will continue to be, subject to the risks described in Part I, Item 1A in McDermott's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the U.S. Securities and Exchange Commission (the "SEC") on February 21, 2018, as amended by McDermott's Annual Report on Form 10-K/A filed with the SEC on March 8, 2018, and CB&I is, and will continue to

be, subject to the risks described in Part I, Item 1A in CB&I's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on February 21, 2018, as amended by CB&I's Annual Report on Form 10-K/A filed with the SEC on March 22, 2018, each of which is incorporated by reference into this document. See [Where You Can Find More Information](#) for the location of information incorporated by reference in this document.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

McDermott and CB&I caution that statements in this document which are forward-looking, and provide other than historical information, involve risks, contingencies and uncertainties that may impact actual results of operations of McDermott, CB&I and the combined business. These forward-looking statements include, among other things, statements about anticipated cost and revenue synergies, and other anticipated financial impacts of the Combination; future financial and operating results of the combined business; and the combined business plans, objectives, expectations and intentions with respect to future operations and services. Although we believe that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made by using various underlying assumptions and are subject to numerous risks, contingencies and uncertainties, including, among others: the ability of McDermott and CB&I to obtain the regulatory and shareholder approvals necessary to complete the anticipated combination on the anticipated timeline or at all; the risk that a condition to the closing of the anticipated combination may not be satisfied, on the anticipated timeline or at all or that the anticipated combination may fail to close, including as the result of any inability to obtain the financing for the Combination; the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the anticipated combination; the costs incurred to consummate the Combination; the possibility that the expected synergies from the anticipated combination will not be realized, or will not be realized within the expected time period; difficulties related to the integration of the two companies, the credit ratings of McDermott following the Combination; disruption from the Combination making it more difficult to maintain relationships with customers, employees, regulators or suppliers; the diversion of management time and attention on the anticipated combination; adverse changes in the markets in which McDermott and CB&I operate or credit markets, the inability of McDermott or CB&I to execute on contracts in backlog successfully, changes in project design or schedules, the availability of qualified personnel, changes in the terms, scope or timing of contracts, contract cancellations, change orders and other modifications and actions by customers and other business counterparties of McDermott and CB&I; or changes in industry norms and adverse outcomes in legal or other dispute resolution proceedings.

The following important factors, in addition to those discussed under Risk Factors and elsewhere in this document and the documents incorporated by reference herein, could affect the future results of the combined business, and could cause those results to differ materially from those expressed in or implied by such forward-looking statements:

the companies' ability to realize cost savings from expected performance of contracts, whether as a result of improper estimates, performance, or otherwise;

uncertain timing and funding of new contract awards, as well as project cancellations;

the companies' ability to fully realize the revenue value reported in backlog;

cost overruns on fixed price or similar contracts or failure to receive timely or proper payments on cost reimbursable contracts, whether as a result of improper estimates, performance, disputes or otherwise;

risks associated with labor productivity;

risks associated with government contracts that may be subject to modification or termination;

risks associated with percentage-of-completion accounting;

the ability to settle or negotiate unapproved change orders and claims;

changes in the costs or availability of, or delivery schedule for, equipment, components, materials, labor or subcontractors;

adverse impacts from weather affecting the companies' performance and timeliness of completion, which could lead to increased costs and affect the quality, costs or availability of, or delivery schedule for, equipment, components, materials, labor or subcontractors;

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operating risks, including liquidated damages, which could lead to increased costs and affect the quality, costs or availability of, or delivery schedule for, equipment, components, materials, labor or subcontractors;

increased competition;

fluctuating revenue resulting from a number of factors, including a decline in energy prices;

delayed or lower than expected activity in the energy and natural resources industries;

the non-competitiveness or unavailability of, or lack of demand or loss of legal protection for, the companies intellectual property assets or rights;

failure to keep pace with technological changes or innovation;

failure of the companies' patents or licensed technologies to perform as expected or to remain competitive, current, in demand, profitable or enforceable;

adverse outcomes of pending claims or litigation or the possibility of new claims or litigation, and the potential effect of such claims or litigation on the companies' business, financial position, results of operations and cash flows;

lack of necessary liquidity to provide bid, performance, advance payment and retention bonds, guarantees, or letters of credit securing the companies' obligations under their bids and contracts or to finance expenditures prior to the receipt of payment for the performance of contracts;

political and economic conditions including, but not limited to, war, conflict or civil or economic unrest in countries in which the companies operate;

interference from adverse weather or sea conditions;

compliance with applicable laws and regulations in any one or more of the countries in which the companies operate including, but not limited to, the U.S. Foreign Corrupt Practices Act and those concerning the environment, export controls, anti-money laundering and trade sanction programs;

foreign currency risk and the companies' inability to properly manage or hedge currency or similar risks;

a downturn, disruption, or stagnation in the economy in general;

McDermott's ability to integrate the operations of CB&I;

the amount and timing of any cost savings, synergies or other efficiencies expected to result from the Combination;

failure to retain key employees and skilled workers;

future and pro forma financial condition or results of operations and future revenues and expenses;

the ability to complete the Combination on the anticipated terms and timetable;

regulatory conditions which may be imposed as a condition to approval of the Combination;

other risks described under the caption "Risk Factors" in McDermott's and CB&I's Annual Reports on Form 10-K for the year ended December 31, 2017 and subsequent Quarterly Reports on Form 10-Q; and

the various risks and other factors considered by the respective boards of McDermott and CB&I as described under "The Combination CB&I's Reasons for the Combination; Recommendation of the CB&I Boards" and under "The Combination McDermott's Reasons for the Combination; Recommendation of the McDermott Board."

If one or more of these risks materialize, or if underlying assumptions prove incorrect, actual results may vary materially from those expected. You should not place undue reliance on forward-looking statements.

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THE MCDERMOTT SPECIAL MEETING

Date, Time and Place

The McDermott Special Meeting is scheduled to be held on May 2, 2018, at 9:00 a.m., Central Daylight Saving Time, at the offices of Baker Botts L.L.P., 910 Louisiana, 32nd floor, Houston, Texas.

Purpose of the McDermott Special Meeting

The purpose of the McDermott Special Meeting is for the McDermott stockholders to consider and vote on:

a proposed resolution providing for an amendment to the McDermott amended and restated articles of incorporation (the McDermott Articles) (1) to effect a 3-to-1 reverse stock split of the McDermott Common Stock and (2) to decrease the authorized shares of McDermott Common Stock to 255,000,000 shares (the McDermott Reverse Stock Split Articles Amendment Resolution);

a proposed resolution providing for an amendment to the McDermott Articles to increase the authorized shares of McDermott Common Stock to 765,000,000 shares (the McDermott Authorized Capital Articles Amendment Resolution); provided that, if adopted, the McDermott Authorized Capital Articles Amendment Resolution will only become effective if the McDermott Reverse Stock Split Articles Amendment Resolution is not adopted at the McDermott Special Meeting;

a proposal to issue shares of McDermott Common Stock in connection with the Exchange Offer (as defined herein) and the Core Transactions (as defined herein), including the issuance pursuant to the Exchangeable Note (as defined herein) (the McDermott Stock Issuance); and

a proposal to approve the adjournment of the McDermott Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the McDermott Stock Issuance and either the McDermott Reverse Stock Split Articles Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution (the McDermott Meeting Adjournment).

Recommendation of the McDermott Board

The McDermott Board has approved and recommends that you vote FOR the McDermott Reverse Stock Split Articles Amendment Resolution, the McDermott Authorized Capital Articles Amendment Resolution, the McDermott Stock Issuance proposal and the McDermott Meeting Adjournment proposal. For McDermott's reasons for these recommendations, see The Combination McDermott's Reasons for the Combination; Recommendation of the McDermott Board.

McDermott Record Date; Stockholders Entitled to Vote

The McDermott Board established April 4, 2018 (the McDermott Record Date) as the record date for determining stockholders entitled to vote at the McDermott Special Meeting. This means that, if you were a stockholder of record (meaning that you were registered with McDermott's transfer agent and registrar, Computershare Trust Company,

N.A.) on the McDermott Record Date, you may vote your shares on the matters to be considered by McDermott's stockholders at the McDermott Special Meeting. If your shares were held in street name on that date, the broker or other nominee that was the record holder of your shares has the authority to vote them at the McDermott Special Meeting. They have forwarded to you this joint proxy statement/prospectus seeking your instructions on how you want your shares voted.

As of the close of business on March 26, 2018, approximately 285.9 million shares of McDermott Common Stock were outstanding. Each outstanding share of McDermott Common Stock entitles its holder to one vote on each matter to be acted on at the meeting.

As of the close of business on March 26, 2018, the most recent practicable date prior to the date of this document, less than 1.5% of the outstanding shares of McDermott Common Stock were held by McDermott

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directors and executive officers and their affiliates. McDermott's directors and executive officers other than Stephen G. Hanks, who collectively own less than 1.5% of the outstanding shares of McDermott Common Stock, have informed McDermott that they intend, as of the date hereof, to vote their shares in favor of all of the proposals set forth above, although none has entered into any agreements obligating them to do so.

Quorum

The McDermott Special Meeting will be held only if a quorum exists. The presence at the meeting, in person or by proxy, of holders of a majority of the outstanding shares of McDermott Common Stock as of the McDermott Record Date will constitute a quorum. If you attend the meeting or vote your shares using the enclosed proxy card or voting instruction form (including any telephone or Internet voting procedures provided), your shares will be counted toward a quorum, even if you abstain from voting on a proposed resolution. Broker non-votes (*i.e.*, shares held by brokers and other nominees as to which they have not received voting instructions from the beneficial owners and lack the discretionary authority to vote on a proposed resolution) will count for quorum purposes.

Vote Required and How Votes Are Counted

The affirmative vote of the holders of a majority of the shares of McDermott Common Stock outstanding and entitled to vote at the McDermott Special Meeting (meaning that, of the shares of McDermott Common Stock outstanding, excluding treasury shares, a majority must be voted **FOR** the proposal) is required to approve the McDermott Reverse Stock Split Articles Amendment Resolution and the McDermott Authorized Capital Articles Amendment Resolution. The affirmative vote of the holders of a majority of the votes cast on the matter by holders of shares of McDermott Common Stock present in person or represented by proxy at the McDermott Special Meeting (meaning the number of shares voted **FOR** the proposal must exceed the number of shares voted **AGAINST** the proposal plus abstentions) is required to approve the McDermott Stock Issuance proposal. The affirmative vote of the holders of a majority of the shares of McDermott Common Stock present in person or represented by proxy at the meeting, whether or not a quorum is present, is required to approve the McDermott Meeting Adjournment proposal.

You may vote **FOR** or **AGAINST** or abstain from voting on each of the proposals. If you submit a signed proxy card without specifying your vote, your shares will be voted **FOR** the approval of each proposal.

The Combination cannot be completed unless the McDermott stockholders approve the McDermott Stock Issuance and either the McDermott Reverse Stock Split Amendment Resolution or the McDermott Authorized Capital Articles Amendment Resolution.

Failure to Vote, Abstentions and Broker Non-Votes

Failures to vote, abstentions and broker non-votes will have the same effect as votes **AGAINST** the adoption of the McDermott Reverse Stock Split Articles Amendment Resolution and the adoption of the McDermott Authorized Capital Articles Amendment Resolution. Because failures to vote and broker non-votes are not actual votes cast (assuming that a quorum is present), they will have no effect on the outcome of the vote on the McDermott Stock Issuance proposal. However, under applicable rules of the NYSE, an abstention will have the same effect as a vote **AGAINST** the McDermott Stock Issuance proposal. Failures to vote by McDermott stockholders that attend the McDermott Special Meeting in person, abstentions and broker non-votes will have the same effect as votes **AGAINST** the McDermott Meeting Adjournment proposal. Failures to vote by McDermott stockholders not attending the McDermott Special Meeting, in person or by proxy, will have no effect on the McDermott Meeting Adjournment proposal, whether or not a quorum is present.

Under applicable rules of the NYSE, brokers, banks, trusts and other nominees that hold their customers' shares in street name may not vote their customers' shares on non-routine matters without instructions from their

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customers. As each of the proposals to be voted upon at the McDermott Special Meeting is considered non-routine, such organizations do not have discretion to vote on any of the proposals. Accordingly, shares held by brokers or other nominees as to which they have not received voting instructions from the beneficial owners with regard to the vote on a proposed resolution will be treated as broker non-votes. Although broker non-votes will be counted toward a quorum, they will not be entitled to vote on any of the proposals to be voted on at the McDermott Special Meeting.

If you are a stockholder of record and your proxy card is signed and returned without voting instructions, it will be voted according to the recommendations of the McDermott Board.

How to Vote your Shares

If you are a stockholder of record, you can vote your shares in person at the McDermott Special Meeting or vote now by giving your proxy via Internet, telephone or mail. You may give your proxy by following the instructions included in the enclosed proxy card. If you vote using either the telephone or the Internet, you will save McDermott mailing expenses.

By giving your proxy, you will be directing the persons named as proxies in the accompanying proxy card for the McDermott Special Meeting how to vote your shares at the meeting. Even if you plan on attending the McDermott Special Meeting, you are urged to vote now by giving your proxy. This will ensure that your vote is represented at the meeting. If you do attend the McDermott Special Meeting, you can change your vote at that time, if you then desire to do so.

If you are the beneficial owner of shares, but not the holder of record, you should refer to the instructions provided by your broker or nominee for further information. The broker or nominee that holds your shares has the authority to vote them, absent your approval, only as to matters for which they have discretionary authority under the applicable NYSE rules. None of the proposals for the McDermott Special Meeting are considered routine matters. This means that brokers or nominees may not vote your shares with respect to those matters if they have not been given specific instructions as to how to vote. Please be sure to give specific voting instructions to your broker or nominee.

You should have received a voting instruction form from your broker or nominee that holds your shares. For shares of which you are the beneficial owner but not the holder of record, follow the instructions contained in the voting instruction form to vote by Internet, telephone or mail. If you want to vote your shares in person at the McDermott Special Meeting, you must obtain a valid proxy from your broker or nominee. You should contact your broker or nominee or refer to the instructions provided by your broker or nominee for further information. Additionally, the availability of telephone or Internet voting depends on the voting process used by the broker or nominee that holds your shares.

Your vote is important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the McDermott Special Meeting in person.

Confidential Voting

All voted proxies and ballots will be handled to protect your voting privacy as a stockholder. Your vote will not be disclosed except:

to meet any legal requirements;

in limited circumstances such as certain proxy contests;

to permit independent inspectors of election to tabulate and certify your vote; or

to adequately respond to your written comments on your proxy card.

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Shares Held in the Thrift Plan

If your shares are held through the McDermott Thrift Plan and you have requested printed versions of these materials, Vanguard Fiduciary Trust Company (Vanguard), the trustee of that plan, has sent you this joint proxy statement/prospectus and you can instruct Vanguard on how to vote your plan shares. Your voting instructions must be received no later than 11:59 p.m., Eastern time, on May 1, 2018. Any shares of McDermott Common Stock held in the McDermott Thrift Plan for which Vanguard does not receive timely voting instructions will be voted in the same proportion as the shares for which Vanguard receives timely voting instructions from other participants in the McDermott Thrift Plan.

Tabulation of Votes

A representative of Broadridge Financial Solutions, Inc. will serve as the inspector of election for the McDermott Special Meeting. The inspector will, among other matters, determine the number of shares represented at the McDermott Special Meeting to confirm the existence of a quorum and tabulate votes cast.

Solicitation of Votes

Directors, present and former officers and other employees of McDermott may solicit proxies by telephone, facsimile or mail, or by meetings with stockholders or their representatives. McDermott will reimburse brokers, banks or other custodians, nominees and fiduciaries for their charges and expenses in forwarding proxy material to beneficial owners. McDermott has retained MacKenzie Partners, Inc. to assist with the solicitation of proxies for the McDermott Special Meeting for a fee not to exceed \$75,000, plus reimbursement for out-of-pocket expenses. All expenses of solicitation of proxies will be borne by McDermott.

Adjournments

Whether or not a quorum is present at the McDermott Special Meeting, such meeting may be adjourned from time to time by the vote of the holders of a majority of the shares of McDermott Common Stock present in person or represented by proxy at the McDermott Special Meeting, provided that the McDermott Meeting Adjournment proposal is adopted.

Proposal No. 1: McDermott Reverse Stock Split Articles Amendment

McDermott proposes an amendment to the McDermott Articles, by the adoption of the formal resolution attached as Annex E to this joint proxy statement/prospectus: (1) to effect a 3-to-1 reverse stock split of the McDermott Common Stock prior to the Exchange Offer Effective Time (as defined herein); and (2) to decrease the authorized shares of McDermott Common Stock to 255,000,000 shares, an amount sufficient to enable the McDermott Stock Issuance, assuming the effectiveness of the McDermott Reverse Stock Split.

Purpose

The McDermott Board approved the McDermott Reverse Stock Split because the McDermott Reverse Stock Split is expected to have the effect of bringing the share price of the McDermott Common Stock to a level that is more consistent with recent historical share prices for the CB&I Common Stock and the share prices of several companies listed on the NYSE that are comparable to the combined McDermott/CB&I. Also, the decrease in authorized shares of McDermott Common Stock is intended to preserve the current percentage of authorized shares of McDermott Common Stock that are neither outstanding nor reserved for issuance pursuant to currently outstanding share-based

incentive awards (as a percentage of the total authorized shares of McDermott Common Stock) of approximately 26%, after giving effect to the Combination.

Principal Effects of the Reverse Stock Split; Effective Time

Upon the effectiveness of the amendment to the McDermott Articles effecting the McDermott Reverse Stock Split, the shares of McDermott Common Stock outstanding immediately prior to such time will be combined into

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a smaller number of shares, such that a McDermott stockholder will own one share of McDermott Common Stock for each three shares of McDermott Common Stock held by that stockholder immediately prior to such time, subject to the treatment of fractional share interests described below. Also, as a result of the Reverse Stock Split, the number of shares of McDermott Common Stock that would be issued in the Combination pursuant to the McDermott Stock Issuance will be reduced to one-third of the number of shares that would be so issued if the Reverse Stock Split had not been effected. Additionally, the form of the certificate of amendment to the McDermott Articles to effect the McDermott Reverse Stock Split will decrease the authorized shares of McDermott Common Stock to 255,000,000 shares.

The certificate of amendment to the McDermott Articles effecting the McDermott Reverse Stock Split is set forth in Annex E to this joint proxy statement/prospectus. If the McDermott Stock Split Articles Amendment Resolution is adopted, the McDermott Reverse Stock Split will be effected at 11:59 p.m. (New York City time) on the date immediately prior to the date of the Exchange Offer Effective Time and will affect all of McDermott's then existing stockholders uniformly, subject to the treatment of fractional share interests described below.

Risks Associated with the McDermott Reverse Stock Split

There are risks associated with the McDermott Reverse Stock Split, including that the McDermott Reverse Stock Split may not result in a corresponding increase in the per share price of McDermott Common Stock.

McDermott cannot predict the extent to which the McDermott Reverse Stock Split will increase the market price for shares of McDermott Common Stock. The history of similar reverse stock split combinations for other companies is varied. There can be no assurance that:

the market price per share of McDermott Common Stock after the McDermott Reverse Stock Split will rise in proportion to the reduction in the number of shares of McDermott Common Stock after the McDermott Reverse Stock Split;

the McDermott Reverse Stock Split will result in a per share price that will attract additional investors; or

the McDermott Reverse Stock Split will result in increased trading volume in McDermott Common Stock. The market price of McDermott Common Stock will be based on the performance of McDermott and other factors, many of which are unrelated to the number of shares outstanding. If the McDermott Reverse Stock Split is effected and the market price of McDermott Common Stock declines, the percentage decline as an absolute number and as a percentage of the overall market capitalization of McDermott may be greater than would occur in the absence of the McDermott Reverse Stock Split. Furthermore, the liquidity of McDermott Common Stock could be adversely affected by the reduced number of shares that would be outstanding after the McDermott Reverse Stock Split. The McDermott Reverse Stock Split may also increase the number of stockholders who own "odd lots" of McDermott Common Stock, which may result in higher trading costs for such stockholders.

Treatment of Fractional Shares

No fractional shares will be issued if, as a result of the McDermott Reverse Stock Split, a holder of record of shares of McDermott Common Stock would otherwise become entitled to a fractional share. Instead, any fractional share

interest resulting from the McDermott Reverse Stock Split will be rounded up to the nearest whole share.

Record and Beneficial McDermott Stockholders

If the McDermott Reverse Stock Split is effected, McDermott stockholders of record holding some or all of their shares of McDermott Common Stock electronically in book-entry form under the direct registration system for

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securities will receive a transaction statement at their address of record indicating the number of shares of McDermott Common Stock they hold after the McDermott Reverse Stock Split. Other stockholders holding shares of McDermott Common Stock through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the McDermott Reverse Stock Split than those that would be put in place by McDermott for its holders of record. If you hold your shares with such a bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your bank, broker or nominee.

If the McDermott Reverse Stock Split is effected, McDermott stockholders of record holding some or all of their shares in certificate form will receive a letter of transmittal, as soon as practicable after the effective date of the McDermott Reverse Stock Split. McDermott expects that its transfer agent will act as exchange agent for the purpose of implementing the exchange of stock certificates. Holders of pre-reverse-stock-split shares will be asked to surrender to the exchange agent certificates representing pre-reverse-stock-split shares in exchange for post-reverse-stock-split shares. Until surrender, each certificate representing shares of McDermott Common Stock before the McDermott Reverse Stock Split would continue to be valid and would represent the adjusted number of shares based on the ratio of the McDermott Reverse Stock Split rounded up to the nearest whole share. No new shares will be issued to a McDermott stockholder until such stockholder has surrendered such stockholder's outstanding certificate(s) together with the properly completed and executed letter of transmittal to the exchange agent.

MCDERMOTT STOCKHOLDERS SHOULD NOT DESTROY ANY PRE-REVERSE STOCK SPLIT STOCK CERTIFICATES AND SHOULD NOT SUBMIT ANY SUCH CERTIFICATES UNTIL THEY ARE REQUESTED TO DO SO.

Accounting Consequences

The par value per share of McDermott Common Stock will remain unchanged at \$1.00 per share after the McDermott Reverse Stock Split. As a result, on the effective date of the McDermott Reverse Stock Split, the stated capital on McDermott's balance sheet attributable to McDermott Common Stock will be reduced proportionally, based on the ratio of the McDermott Reverse Stock Split and the capital in excess of par value account will be credited with the amount by which the stated capital is reduced. Earnings per share will be increased because there will be fewer shares of McDermott Common Stock outstanding. The shares of McDermott Common Stock held in treasury, will also be reduced proportionately based on the ratio of the McDermott Reverse Stock Split. McDermott will restate prior period per share amounts for the effect of the McDermott Reverse Stock Split for any prior periods in McDermott's financial statements and reports, such that prior period amounts will be stated on a basis that is comparable to the current period presentation. McDermott does not anticipate that any other accounting consequences will arise as a result of the McDermott Reverse Stock Split.

No Appraisal Rights

McDermott's stockholders are not entitled to dissenters' or appraisal rights with respect to the McDermott Reverse Stock Split.

Material U.S. Federal Income Tax Consequences of the McDermott Reverse Stock Split

The following is a discussion of material U.S. federal income tax consequences of the McDermott Reverse Stock Split to McDermott and to U.S. holders (as defined below) of shares of McDermott Common Stock. The discussion is based on and subject to the Internal Revenue Code, the U.S. Treasury Regulations promulgated thereunder, administrative guidance and court decisions as of the date of this document, all of which are subject to change, possibly with retroactive effect, and to differing interpretations. This discussion only addresses U.S. holders that hold

their shares of McDermott Common Stock as capital assets within the meaning of Section 1221 of the Internal Revenue Code (generally, property held for investment).

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This discussion does not constitute tax advice and does not address all aspects of U.S. federal income taxation that may be relevant to U.S. holders of McDermott Common Stock in light of their personal circumstances, including any tax consequences arising under the Medicare contribution tax on net investment income or the alternative minimum tax, or to U.S. holders that are subject to special treatment under the Internal Revenue Code, including, for example:

banks, thrifts, mutual funds and other financial institutions;

real estate investment trusts and regulated investment companies;

traders in securities who elect to apply a mark-to-market method of accounting;

brokers or dealers in securities;

tax-exempt organizations and governmental organizations;

insurance companies;