

PRIOR ANNOUNCEMENT OF THE VOLUNTARY TENDER OFFER FOR ALL OUTSTANDING SHARES OF ZARDOYA OTIS, S.A. COMMENCED BY OPAL SPANISH HOLDINGS, S.A.U.

This announcement is released in accordance with the terms of Royal Decree 1066/2007 of 27 July, on the regulation of tender offers for the acquisition of securities ("**Royal Decree 1066/2007**") and contains the main features of the tender offer, which is subject to the mandatory authorization of the Spanish Securities Market Commission (the "**CNMV**").

The detailed terms and features of the offer will be set out in the prospectus to be published when the aforementioned authorization is obtained.

In accordance with the provisions of article 30.6 of Royal Decree 1362/2007 of 19 October, as of the date of this announcement, shareholders of Zardoya Otis, S.A. who acquire securities that confer voting rights shall notify the CNMV of said acquisition when the proportion of voting rights held by them reaches or exceeds 1%. Moreover, shareholders who already held 3% of the voting rights shall notify any transaction that entails a subsequent variation in such percentage.

Pursuant to section 2.b) of Rule Five of Circular 1/2017 of 26 April of the CNMV, as of the date of this announcement, operations under the liquidity agreement of Zardoya Otis, S.A., if any, shall be suspended.

1. IDENTIFICATION OF THE OFFEROR

The offeror is Opal Spanish Holdings, S.A.U. ("**OSH**"), a company incorporated under the laws of Spain, with registered office at calle Suero de Quiñones 34-36, 28002 Madrid, Spain, bearing Tax Identification Number A16808453, registered in the Commercial Registry of Madrid and with Legal Entity Identifier (LEI) code 959800LQY7BC5P3ZJB69. The shares of OSH are not listed on any stock exchange.

OSH is wholly-owned by Otis Elevator Company ("**ONJ**"), a company incorporated under the laws of the State of New Jersey, with registered office at 820 Bear Tavern Road, West Trenton, Mercer, NJ 08628, United States of America, and Tax Identification Number 13-5583389.

ONJ is in turn wholly-owned by Otis Worldwide Corporation ("**Otis**" and together with its consolidated subsidiaries, the "**Otis Group**"), a company incorporated under the laws of the State of Delaware, with registered office at One Carrier Place, Farmington, 06032, Connecticut, United States of America and tax identification number 83-3789412. Otis is the world's leading elevator and escalator manufacturing, installation and service company. Otis is a publicly-traded company and its common stock is listed under the symbol "OTIS" on the New York Stock Exchange. Otis is not controlled, individually or in concert, directly or indirectly, by any individual or entity.

It is expected that OSH will be transferred to a wholly-owned subsidiary of Otis, Highland Holdings S.à. r.l. ("**HH**"), a limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg, with registered office at 6 rue Jean Monnet, Luxembourg, L-2180, Grand-Duchy of Luxembourg and registered in the Luxembourg Commercial Registry (*Registre de Commerce et des Sociétés*) under number B237108, before the approval of the offer.

The prospectus will further detail the OSH's shareholding and control structure.

The target company of the tender offer, i.e. Zardoya Otis, S.A. ("**ZOSA**"), is a consolidated subsidiary of the Otis Group.

2. DECISION TO COMMENCE THE TENDER OFFER

The decision to commence the voluntary tender offer was approved by OSH by virtue of the decisions made by its sole shareholder and its management body on September 23, 2021. Additionally, the tender offer was approved by the board of directors of Otis on September 21, 2021 and by the board of directors of ONJ on September 22, 2021. The offer will also be ratified by the management body of HH once the transfer of OSH's shares to HH is completed.

Apart from the above agreements, the tender offer is not subject to any other corporate authorization from the shareholders or the management bodies of any other company of the Otis Group.

3. FILING OF THE TENDER OFFER

OSH will submit the application for authorization of the offer to the CNMV, together with the prospectus and the other supplementary documents, on the terms of article 17 of Royal Decree 1066/2007. OSH expects the application for authorization to be submitted towards the end of the maximum term of one month provided for in such article.

4. TYPE OF OFFER

The offer is a voluntary offer under the terms of article 13 of Royal Decree 1066/2007 and of article 137 of the revised text of the Securities Market Law approved by Royal Legislative Decree 4/2015 of 23 October (the "**Securities Market Law**") and is subject to the price requirements laid down under article 137.2 of the Securities Market Law.

5. INTEREST HELD BY OSH AND THE OTIS GROUP IN ZARDOYA OTIS, S.A.

Otis holds 235,279,377 shares in ZOSA, representing 50.01% of its share capital and 50.07% of the voting rights of ZOSA (i.e. excluding for these purposes the treasury shares of ZOSA), indirectly through its wholly-owned subsidiary Alder Holdings, S.A.S. ("**AH**").

In accordance with the information published by ZOSA at the time of the 2021 Ordinary General Shareholders' Meeting of May 19, 2021, ZOSA held 534,890 own shares in treasury.

In addition, Mr Bernardo Calleja Fernández and Mr Joao Miguel Marques Penedo, who are executive directors of ZOSA, currently hold 89,388 and 9,000 shares of ZOSA, respectively. For their part, ONJ and Ms Stacy L. Petrosky, who are proprietary directors of ZOSA representing Otis, do not hold any shares in ZOSA.

The voting rights corresponding to the shares of AH, the treasury stock and the shares of the directors mentioned in the preceding paragraph are the only shares held by ZOSA that are allocated to Otis for the purposes of this tender offer in accordance with article 5 of Royal Decree 1066/2007¹.

Other than that, neither Otis nor any entity of the Otis Group, nor the members of the management, control and supervisory bodies of Otis or the entities of the Otis Group hold any shares in ZOSA, except for the 11.345% stake held by Euro-Syns, S.A. (according to publicly available information), proprietary director of ZOSA that is not related to Otis.

The only transactions carried out by entities of the Otis Group (including ZOSA) or members of the management, control and supervisory bodies of Otis or of the entities of the Otis Group (other than Euro-Syns, S.A., proprietary director of ZOSA) during the period of 12 months prior to this announcement are the ones described below:

- ZOSA has acquired 3,725,521 own shares in the open market, representing 0.79% of the share capital. The highest price paid by ZOSA over this period was 5.98 euros per share (which is below the price of the offer).
- Mr Joao Miguel Marques Penedo has acquired 9,000 shares in the open market, representing 0.002% of the share capital. The highest price paid by Mr Joao Miguel Marques Penedo over this period was 5.73 euros per share (which is below the price of the offer).

Additionally, it is hereby noted that the Otis Group intends to acquire shares of ZOSA outside of the tender offer after the publication of this announcement, in which case this will be reported under the terms of article 32.6 of Royal Decree 1066/2007. These acquisitions will be made at the offer price (adjusted in accordance with the provisions of paragraph 8 below).

Neither OSH, AH, ONJ, Otis, any entity of the Otis Group, nor any of their respective directors, act in concert with any other individual or entity for the purposes of article 5 of Royal Decree 1066/2007.

6. INFORMATION ON THE TARGET

The target company is Zardoya Otis, S.A., commercially known as Zardoya Otis, a Spanish public limited company (*sociedad anónima*) with registered office at calle Golfo de Salónica, 73, 28003, Madrid, Spain, bearing Spanish Tax Identification Number (*NIF*) A-28011153 and registered with the Commercial Registry of Madrid under volume (*tomo*) 1840, page (*folio*) 177 and sheet (*hoja*) 33171.

The share capital of ZOSA is 47,046,431.10 euros, divided into 470,464,311 ordinary shares, with a par value of 0.10 euros per share, all of a single class and series, fully subscribed and paid up and represented in book-entry form, which registration is carried out by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* ("**Iberclear**") and its participating entities. ZOSA's shares are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated

¹ Although it is expressly stated that the offer is addressed to the shares that ZOSA holds in treasury stock and to the shares owned by Mr Bernardo Calleja Fernández and Mr Joao Miguel Marques Penedo, which will not be blocked as a result of the offer.

Quotation System (*Sistema de Interconexión Bursátil – Mercado Continuo*) and are not admitted to trading on any other regulated market.

ZOSA does not have any outstanding non-voting or special class shares, nor has it issued pre-emptive subscription rights, bonds convertible into or exchangeable for shares, warrants or any other similar security or financial instrument which might entitle to directly or indirectly subscribe for shares of ZOSA.

7. SECURITIES SOUGHT IN AND EXCHANGES SUBJECT TO THE OFFER

The offer targets all the issued shares into which ZOSA's share capital is divided, i.e. 470,464,311 shares (including the treasury shares). The offer excludes the shares indirectly owned by Otis (i.e. 235,279,377 shares in ZOSA, representing 50.01% of its share capital), which will be locked up. Consequently, the offer effectively targets a total of 235,184,934 shares in ZOSA, representing 49.99% of its share capital.

The terms of this offer, including the consideration, are the same for all the shares.

The offer is exclusively launched on the Spanish market, which is the only market on which ZOSA's shares are publicly listed and it is addressed to all the holders of shares of ZOSA regardless of their nationality or residence.

This announcement and its contents do not constitute the launching or distribution of the offer in any jurisdiction or territory other than Spain. Consequently, this announcement and the prospectus that will be published after the authorisation by the CNMV will not be published, distributed or delivered to any jurisdiction or territory where its publication may be forbidden or restrained by law or where the filing or deposit of additional documentation may be required, and the persons receiving either this announcement or the prospectus may not publish, distribute or deliver them in said jurisdictions or territories.

8. CONSIDERATION FOR THE OFFER

The offer is structured as a share purchase. The consideration offered by OSH to the shareholders of ZOSA is 7.00 euros in cash per share. Consequently, the maximum total amount to be paid by OSH amounts to 1,646,294,538 euros.

OSH has secured bridge financing to pay the total consideration of the offer. The relevant financing agreements will be available in the website of Otis (<https://www.otisinvestors.com/financials/sec-filings>) and the U.S. Securities Exchange Commission (www.sec.gov).

The price of the offer will be reduced by an amount of 0.074 euros per share as a result of the dividend announced by ZOSA through the other relevant information notice dated September 22, 2021 (registry number 11782), which is expected to be paid on October 11, 2021. The price resulting from the adjustment will be rounded up to two decimal places, such that the offer price will be set at 6.93 euros per share as of October 7, 2021 (i.e. ex-dividend date).

Additionally, the price of the offer shall be reduced by an amount equal to the gross amount per share of any distribution of dividends, reserves or share premium, or any other form of distribution to shareholders that ZOSA may make from the date of this prior announcement, provided that the outcome of the offer is

published in the stock exchange bulletins on the same date as or later than the ex-dividend date for said distribution.

OSH considers that the price of the offer complies with the requirements of article 137.2 of the Securities Market Law, as long as the offer is an all-cash offer and OSH will provide a valuation report prepared by Deloitte Financial Services, S.L.U., as an independent expert, in accordance with the valuation methods set out therein for the purposes of justifying the price of the offer meets the requirements laid down under article 137.2 of the Securities Market Law to be designated equitable.

Likewise, OSH considers that the price of the offer qualifies as an “equitable price” (*precio equitativo*) for the purposes of the provisions contained in article 9 of Royal Decree 1066/2007, given that such consideration is greater than the highest price paid for or agreed on by Otis or any entity of the Otis Group, or the members of the management, control and supervisory bodies, in order to acquire shares of ZOSA during the 12 months prior to the date hereof. Likewise, OSH understands that none of the circumstances provided for in article 9 of Royal Decree 1066/2007 that would trigger an adjustment of the equitable price have occurred.

OSH also understands according to the above that the price of the offer complies with the requirements established in article 10 of Royal Decree 1066/2007 for the purposes of the delisting of the shares of ZOSA.

In any event, the treatment as “equitable price” for the offered consideration is subject to confirmation by the CNMV.

The price represents a premium of approximately:

- (i) 30.8% to ZOSA's closing price on September 22, 2021 (5.35 euros); and
- (ii) 28.9% to ZOSA's one-month volume-weighted average price as at September 22, 2021 (5.43 euros).

9. NO CONDITIONS FOR THE EFFECTIVENESS OF THE OFFER

The effectiveness of the offer is not subject to any conditions.

10. ANTITRUST FILINGS AND AUTHORISATIONS REQUIRED BY OTHER SUPERVISORY BODIES

10.1.1 Antitrust filings

The offer is not subject to the notification procedures before the European Commission nor the Spanish Competition and Markets National Commission established by the Council Regulation (EC) No. 139/2004 of 20 January 2004 on the control of concentrations between undertakings and the Spanish Competition Act 15/2007, of July 3, respectively. Likewise, the transaction does not require notice nor authorization in any other jurisdiction and, therefore, no competition authority should be notified.

10.1.2 Other governmental authorizations

The potential acquisition of shares that are the subject of this offer is not a transaction subject to foreign direct investments authorization pursuant to the provisions of Law 19/2003, of July 4, on the legal framework for capital movements and cross-border economic transactions and in the sole transitory provision of the Royal Decree-Law 24/2020, of November 17, on urgent matters to support business solvency and the energy industry and on tax matters, because Otis already owns more than 50% of ZOSA's share capital and has sole control of ZOSA in accordance with the criteria established in article 7.2 of Law 15/2007, of July 3, 2007, on the Defense of Competition.

11. AGREEMENTS RELATED TO THE OFFER AND THE TARGET COMPANY

There is no agreement of any nature regarding the offer or ZOSA, its shareholders or the members of its board of directors or management. No specific benefit has been granted to the shareholders of ZOSA nor the members of its board of directors.

12. INTENTIONS REGARDING LISTING

In the event that the requirements provided under article 136 of the Securities Market Law and article 47 of Royal Decree 1066/2007 are met, OSH will exercise the squeeze-out right over ZOSA's remaining shares at the same price of the offer, subject to any adjustments as set out in section 8 above in the event that any distribution of dividends or any distribution to shareholders of ZOSA is made. Purchases of shares outside of the offer will not count towards the requirements for the squeeze-out.

The execution of the squeeze-out transaction resulting from the aforementioned right will entail, pursuant to articles 47 and 48 of Royal Decree 1066/2007 and related provisions, the delisting of the shares of the ZOSA from the Spanish stock exchanges.

In the event that the conditions required for the squeeze-out are not satisfied and Otis gets to a minimum of 75% of ZOSA on the date of settlement of the offer, OSH will pursue the delisting of the shares of ZOSA from the Spanish stock exchanges through the delisting offer exception procedure provided for in article 11.d) of Royal Decree 1066/2007. For such purposes, OSH will provide the valuation report referred to in section 8 above, issued in order to justify the consideration offered in this offer in accordance with article 10 of Royal Decree 1066/2007.

If neither the requirements necessary to promote the delisting of ZOSA's shares by exercising the squeeze-out right are met nor 75% of the capital of ZOSA is reached on the date of settlement of the offer in accordance with the requirements of article 82.2 of the Securities Market Law, Otis will use its shareholding in ZOSA to promote, as soon as possible after the settlement of the offer, the launch of a new delisting offer for the shares of ZOSA in accordance with the terms set out in article 10 of Royal Decree 1066/2007.

13. OTHER INFORMATION

In the opinion of OSH, there is no other information as of the date of this announcement that may be necessary for an adequate understanding of the offer, other than the information included in this prior announcement or the press release attached hereto.

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In Madrid, on September 23, 2021

OPAL SPANISH HOLDINGS, S.A.U.

P.p.

By: Mr David Michael Jones

Otis Announces Cash Tender Offer for Remaining 49.99% Interest in Zardoya Otis

- *Otis intends to acquire the remaining interest in Zardoya Otis, a premier elevator business in Spain and Portugal and take Zardoya Otis private*
- *Transaction expected to be financed with euro-denominated debt and close in the 2nd quarter of 2022*
- *Expects up to mid-single digit percentage accretion to adjusted run-rate EPS and up to \$80M increase in cash available for deployment, depending on shares tendered*

FARMINGTON, Conn., September 23, 2021 -- Otis Worldwide Corporation (“Otis”) (NYSE: OTIS), the world's leading elevator and escalator manufacturing, installation and service company, today announced a tender offer through its wholly-owned subsidiary, Opal Spanish Holdings, S.A.U., for all of the shares it does not currently own of Zardoya Otis, S.A. (“Zardoya Otis” or the “Company”) for an offer price of €7.00 in cash, with the intention to delist Zardoya Otis subsequent to the tender. The offer price represents a premium of 28.9% to the Company's 1-month volume weighted average price implying a total equity value for Zardoya Otis, including Otis' existing interest, of €3.3 billion.

Headquartered in Madrid, Spain, Zardoya Otis is a premier elevator original equipment and service business with operations in Spain, Portugal and Morocco. Its product portfolio comprises vertical and horizontal transportation systems as well as moving walkways and accessibility products. In addition, the Company offers a range of maintenance programs and a remote elevator monitoring system for optimizing elevator performance. Zardoya Otis generated revenue of €801 million and EBITDA of €223 million, representing an EBITDA margin of 28%, for the 12 months ending May 31, 2021 ¹.

“Zardoya Otis has been an integral part of Otis since 1972 and its products, services and geographic footprint are critical components of our long-term growth strategy,” said Judy Marks, Otis' President and Chief Executive Officer. “While we have deep respect for Zardoya Otis' heritage, delisting the Company will simplify Otis' corporate structure, provide for more streamlined management of the business, and generate operational efficiencies for both businesses.”

The transaction is structured as an all-cash voluntary tender offer with an intention to delist Zardoya Otis from the Madrid, Barcelona, Bilbao and Valencia Stock exchanges and is expected to close in the second quarter of 2022, subject to its approval by the Spanish Securities Exchange Commission (*Comisión Nacional del Mercado de Valores*). Starting 2023, it is expected to be up to mid-single digit percentage accretive to Otis' adjusted EPS. Given the timing of the close and the pace of the acquisition of shares, 2022 EPS accretion is expected to be in a range of 3 to 5 cents. Since Otis is already the majority holder of Zardoya Otis and has operational control, there should be no significant change to the Company's employment as a result of this transaction.

¹ Based on Zardoya Otis' reported financial statements, which have been prepared in accordance with International Financial Reporting Standards endorsed by the European Union (IFRS-EU)

Otis has obtained fully committed bridge financing from Morgan Stanley and expects to replace the bridge facility with permanent debt financing. Otis continues to target its current investment grade credit ratings and plans to repay \$800 million of existing debt and suspend share repurchases in 2022.

For further details on the terms and conditions of the tender, please see the regulatory announcement published on the following link: [\[link to the CNMV's website\]](#).

Advisors

Morgan Stanley & Co. LLC is serving as exclusive financial advisor to Otis, and Uría Menéndez and Wachtell, Lipton, Rosen & Katz are serving as legal counsel.

Use and Definitions of Non-GAAP Financial Measures

Otis Worldwide Corporation ("Otis") reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"). We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information, but should not be considered in isolation or as substitutes for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

Organic sales, adjusted selling, general and administrative ("SG&A") expense, earnings before interest taxes and depreciation ("EBITDA"), adjusted EBITDA, adjusted operating profit, adjusted net income, adjusted diluted earnings per share ("EPS"), adjusted effective tax rate and free cash flow are non-GAAP financial measures.

Organic sales represents consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and other significant items of a non-recurring and/or nonoperational nature ("other significant items"). Management believes organic sales is a useful measure in providing period-to-period comparisons of the results of the Otis' ongoing operational performance.

Adjusted SG&A expense represents SG&A expense (a GAAP measure), excluding restructuring costs, other significant items and allocated costs for certain functions and services previously performed by United Technologies Corporation ("UTC") prior to our separation ("UTC allocated costs") and including solely for fiscal years prior to 2020 estimated standalone public company costs, as though Otis' operations had been conducted independently from UTC ("standalone costs"). Standalone costs for fiscal years prior to 2020 are based on quarterly estimates determined during Otis' annual planning process for the 2020 fiscal year. Recurring standalone costs for 2021 and 2020 are not adjusted.

Adjusted operating profit represents income from continuing operations (a GAAP measure), excluding restructuring costs, other non-recurring significant items, UTC allocated costs and including solely for fiscal years prior to 2020 estimated standalone public company costs.

Adjusted net income represents net income from continuing operations (a GAAP measure), excluding restructuring costs and other non-recurring significant items and UTC allocated costs and including solely for fiscal years prior to 2020 estimated standalone public company costs, estimated adjustments to non-service pension expense, net interest expense and income tax expense as if Otis was a standalone public company (“standalone operating income adjustments”). Adjusted EPS represents diluted earnings per share from continuing operations (a GAAP measure), adjusted for the per share impact of restructuring, other significant items and solely for fiscal years prior to 2020 standalone operating income adjustments.

The adjusted effective tax rate represents the effective tax rate (a GAAP measure) adjusted for the tax impact of restructuring costs, non-recurring significant items and solely for fiscal year prior to 2020 the tax impact of the additional adjustments (estimated standalone public company costs, interest expense and non-service pension expense).

EBITDA represents net income from operations (a GAAP measure), adjusted for noncontrolling interests, income tax expense, net interest expense, non-service pension expense and depreciation and amortization. Adjusted EBITDA represents EBITDA, as calculated above, adjusted for the impact of restructuring, other significant items and UTC allocated costs, including solely for fiscal years prior to 2020 estimated standalone public company costs. Management believes that adjusted SG&A, EBITDA, adjusted EBITDA, adjusted operating profit, adjusted net income, adjusted EPS and the adjusted effective tax rate are useful measures in providing period-to-period comparisons of the results of Otis’ ongoing operational performance and to the extent applicable as if it had been a standalone public company for fiscal years prior to 2020.

Additionally, GAAP financial results include the impact of changes in foreign currency exchange rates (“AFX”). We use the non-GAAP measure “at constant currency” or “CFX” to show changes in our financial results without giving effect to period-to-period currency fluctuations. Under U.S. GAAP, income statement results are translated in U.S. dollars at the average exchange rate for the period presented. Management believes that this non-GAAP measure is useful in providing period-to-period comparisons of the results of Otis’ ongoing operational performance.

Free cash flow is a non-GAAP financial measure that represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing Otis’ ability to fund its activities, including the financing of acquisitions, debt service, repurchases of common stock and distribution of earnings to shareholders.

When we provide our expectations for organic sales, adjusted operating profit, adjusted net income, adjusted effective tax rate, adjusted EPS and free cash flow on a forward-looking basis, a reconciliation of

the differences between the non-GAAP expectations and the corresponding GAAP measures (expected diluted EPS from continuing operations, operating profit, the effective tax rate, net sales and expected cash flow from operations) generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

About Otis

Otis is the world's leading elevator and escalator manufacturing, installation and service company. We move 2 billion people a day and maintain approximately 2.1 million customer units worldwide, the industry's largest Service portfolio. Headquartered in Connecticut, USA, Otis is 69,000 people strong, including 40,000 field professionals, all committed to meeting the diverse needs of our customers and passengers in more than 200 countries and territories worldwide. For more information, visit www.otis.com and follow us on LinkedIn, Instagram, Facebook and Twitter @OtisElevatorCo.

Cautionary Statement

This communication contains statements which, to the extent they are not statements of historical or present fact, constitute "forward-looking statements" under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide management's current expectations or plans for Otis' future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as "believe," "expect," "expectations," "plans," "strategy," "prospects," "estimate," "project," "target," "anticipate," "will," "should," "see," "guidance," "outlook," "confident," "goals" and other words of similar meaning in connection with a discussion of future operating or financial performance or the separation and distribution. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, share repurchases, tax rates, R&D spend, credit ratings and net indebtedness, other measures of financial performance, potential future plans, strategies or transactions, including anticipated benefits of the proposed transaction, including estimated accretion, cost savings or other operational efficiencies, the expected timing of completion of the proposed transaction, estimated costs associated with such transaction and other statements that are not historical facts.. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, Otis claims the protection of the safe harbor for forward-looking statements contained in the U.S. Private

Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which Otis and its businesses operate in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in construction, the impact of weather conditions, pandemic health issues (including COVID-19 and its effects, among other things, on global supply, demand, and distribution disruptions as the outbreak continues and results in an increasingly prolonged period of travel, commercial and/or other similar restrictions and limitations), natural disasters and the financial condition of Otis' customers and suppliers; (2) challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services; (3) future levels of indebtedness, including in connection with the proposed transaction, and capital spending and research and development spending; (4) future availability of credit and factors that may affect such availability, including credit market conditions in the U.S. and other countries in which Otis and its businesses operate and Otis' capital structure; (5) the timing and scope of future repurchases of Otis' common stock, which may be suspended at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (6) fluctuations in prices of and delays and disruption in delivery of materials and services from suppliers; (7) cost reduction or containment actions and restructuring costs and related savings and other consequences thereof; (8) new business and investment opportunities; (9) the anticipated benefits of moving away from diversification and balance of operations across product lines, regions and industries; (10) the outcome of legal proceedings, investigations and other contingencies; (11) pension plan assumptions and future contributions; (12) the impact of the negotiation of collective bargaining agreements and labor disputes; (13) the effect of changes in political conditions in the U.S., including the new U.S. Administration, and other countries in which Otis and its businesses operate, including China's response to the new U.S. administration and the United Kingdom's recent withdrawal from the European Union, on general market conditions, global trade policies and currency exchange rates in the near term and beyond; (14) the effect of changes in tax, environmental, regulatory (including among other things import/export) and other laws and regulations in the U.S. and other countries in which Otis and its businesses operate, including changes as a result of the new U.S. Administration; (15) the ability of Otis to retain and hire key personnel; (16) the scope, nature, impact or timing of acquisition and divestiture activity, including among other things integration of acquired businesses into existing businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs, including in connection with the proposed transaction; (17) the expected benefits of the separation and distribution and the timing thereof; (18) the determination by the Internal Revenue Service and other tax authorities that the distribution or certain related transactions should be treated as taxable transactions; (19) risks associated with indebtedness incurred as a result of financing transactions undertaken in connection with the proposed transaction; (20) the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the separation will exceed Otis' estimates; and (21) the impact of the separation and/or the proposed transaction on Otis' businesses and Otis' resources, systems, procedures and controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties.

In addition, with respect to the forward-looking statements specifically relating to the proposed transaction, additional risks and uncertainties relating to the proposed transaction include whether Zardoya Otis shareholders will tender their shares in the transaction; the possibility of competing offers; risks relating to filings and approvals relating to the transaction; Otis' ability to finance the transaction; the satisfaction of any relevant closing conditions; and the possibility that the proposed transaction will not be completed on the contemplated terms or timeline or at all.

The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary from those stated in forward-looking statements, see Otis' registration statements on Form 10 and Form S-3 and the reports of Otis on Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC from time to time. Any forward-looking statement speaks only as of the date on which it is made, and Otis assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

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