

**COMISIÓN NACIONAL DEL MERCADO DE VALORES**

Calle Edison, 4  
28006, Madrid  
España

9 de marzo de 2022

**Oferta pública de adquisición de acciones de Zardoya Otis, S.A.**

El siguiente documento es una traducción no oficial del folleto (excluyendo sus anexos) de la oferta pública de adquisición de acciones de Zardoya Otis, S.A. formulada por Opal Spanish Holdings, S.A.U. (la “**Oferta**”). La Oferta fue autorizada por la Comisión Nacional del Mercado de Valores (“**CNMV**”) el 28 de febrero de 2022.

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**COMISIÓN NACIONAL DEL MERCADO DE VALORES**

Calle Edison, 4  
28006, Madrid  
Spain

March 9, 2022

**Voluntary tender offer to acquire shares of Zardoya Otis, S.A.**

The following is a non-official translation of the prospectus (excluding its annexes) for the public voluntary tender offer to acquire shares of Zardoya Otis, S.A. made by Opal Spanish Holdings, S.A.U. (the “**Offer**”). The Offer was authorized by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (“**CNMV**”) on February 28, 2022.

This translation has been published on Opal Spanish Holdings, S.A.U.’s request for information purposes only and it has not been reviewed nor approved by the CNMV. In the event of any discrepancies between this translation and the corresponding original Spanish version the latter shall prevail.

[*Sigue hoja de firmas / Signature page follows*]

Opal Spanish Holdings, S.A.U., como Oferente / as Offeror

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Mr. Miguel Liria Plañiol

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## **PROSPECTUS**

### **OF THE TENDER OFFER FOR ALL OF THE OUTSTANDING SHARES OF ZARDOYA OTIS, S.A.**

**commenced by**

**Opal Spanish Holdings, S.A.U.**

**Madrid, February 22, 2022**

In accordance with the provisions of the restated text of the Securities Market Law (*Ley del Mercado de Valores*) approved by Royal Legislative Decree 4/2015 of 23 October, Royal Decree 1066/2007 of 27 July on the regime for public tender offers to acquire securities, and other applicable law.

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**Annex 3.-** Certification of the resolution adopted by the managing body of OEC, sole shareholder of the Offeror at the time of the resolution, in relation to the authorization to make the Offer, together with the sworn translation into Spanish.

**Annex 4.-** Certification of the resolution adopted by the managing body of Highland, sole shareholder of the Offeror, in relation to the ratification of the approval to make the Offer, together with the sworn translation into Spanish.

**Annex 5.-** Certification of the resolution adopted by the board of directors of Otis in connection with the increase of the price of the Offer, together with the sworn translation into Spanish.

**Annex 6.-** Certification of the resolutions adopted by the sole shareholder and the board of directors of the Offeror in connection with the increase of the price of the Offer.

**Annex 7.-** Certification issued by the Commercial Registry of Madrid relating to the Offeror, confirming the incorporation of the company and of its current articles of association.

**Annex 8.-** Certified and apostilled copy of the articles of association of Highland, as well as a certified and apostilled extract from the Luxembourg Commercial Registry (*Registre de Commerce et des Sociétés*), together with sworn translations into Spanish of both documents.

**Annex 9.-** Certified and apostilled copy of the articles of association of OEC, as well as a certified and apostilled certificate of status issued by the State Treasurer of the State of New Jersey, together with sworn translations into Spanish of both documents.

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**Annex 14.-** Copy of the consolidated audited annual report on Form 10-K of Otis for the financial year ended December 31, 2021, together with a sworn translation into Spanish of the audit report, the financial statements and the notes.

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## INTRODUCTION

This explanatory prospectus sets out the terms and conditions for the public tender offer to acquire shares (the “**Offer**”) made by Opal Spanish Holdings, S.A. (“**OSH**” or the “**Offeror**”) in respect of all of the shares representing the share capital of Zardoya Otis, S.A. (“**ZOSA**”). The Offer is a voluntary offer for purposes of the provisions of article 137 of the restated text of the Securities Market Law (*Ley del Mercado de Valores*) approved by Royal Legislative Decree 4/2015 of October 23 (the “**Securities Market Law**”) and of article 13 of Royal Decree 1066/2007 of July 27, on the regime for public offers to acquire shares (“**Royal Decree 1066/2007**”).

The Offeror is a Spanish company indirectly wholly-owned by Otis Worldwide Corporation (“**Otis**” and together with its subsidiaries the “**Otis Group**”), a Delaware corporation engaged in the manufacture, installation and service of elevators and escalators, whose shares are admitted to trading on the New York Stock Exchange under the symbol “OTIS”.

Otis holds 235,314,731 shares in ZOSA, representing 50.02% of its share capital, indirectly through a wholly-owned subsidiary.

The Offer is made in respect of 100% of the share capital of ZOSA, comprised of 470,464,311 shares admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (the “**Spanish Stock Exchanges**”) via the Automated Quotation System. The Offer does not target the ZOSA shares indirectly owned by Otis, which have been locked up through completion of the Offer. Consequently, the Offer targets a total of 235,149,580 shares in ZOSA, representing 49.98% of its share capital.

The consideration for the Offer is 7.07 euros per share in cash.

The initial consideration for the Offer consisted of a cash price of 7.00 euros per ZOSA share.

The initial consideration for the Offer was reduced from 7.00 to 6.93 euros per share as a result of the dividend of 0.074 euros per share paid by ZOSA on October 11, 2021.

The price of the Offer (which at the time was set at 6.93 euros per share) was increased by 0.21 euros per share to 7.14 euros per shares following the agreement between the Offeror and Euro-Syns, S.A. (shareholder holding 11.19% of ZOSA) under which Euro-Syns, S.A. agreed to tender all of its ZOSA shares in acceptance of the Offer.

The price was further reduced for the dividend of 0.076 euros per share paid by ZOSA on January 10, 2022, such that the price was reduced from 7.14 euros per share (which already reflected the price increase) down to 7.07 per share (current price of the Offer).

The price of the Offer may also be reduced as described in section 2.2.1 of this prospectus. This notwithstanding, Otis has made a proposal to delay the payment of the dividend traditionally paid in April and, if applicable, the following dividends until the effective delisting of the shares of ZOSA, either through the exercise of the squeeze-out right or the delisting procedure under article 11.d) of Royal Decree 1066/2007, or until after the settlement of the Offer if the requirements to promote the delisting through the aforementioned procedures are not met, in order to facilitate the execution of the settlement process

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of the Offer. The members of the board of directors of ZOSA appointed at Otis' request have expressed that they will vote in favour of delaying the payment of such dividends when such a proposal is submitted to the board. As such, the purchase price of the squeeze out transactions or the purchase order, where applicable, will be the price of the Offer (i.e., 7.07 euros per share).

OSH believes that the price of the Offer complies with the requirements established in article 137.2 of the Securities Market Law as its paid in cash and it is justified in accordance with the report issued by Deloitte Financial Advisory, S.L.U. ("**Deloitte**") on February 22, 2022, whose conclusions are described in sub-section 2.2.2 below. Also, the Offeror has submitted the aforementioned report in order to benefit from the delisting process permitted under article 10 of Royal Decree 1066/2007 as long as it reaches 75% of ZOSA's voting capital as a result of the Offer.

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

Otis will exercise the squeeze-out right if the requirements established for such purpose under article 47 of Royal Decree 1066/2007 are satisfied, which will result in the automatic delisting of the ZOSA shares. If said requirements are not met but the Otis Group reaches an ownership of 75% of ZOSA's share capital upon settlement of the Offer, Otis will promote the delisting under the exception to the making of a public delisting offer established in article 11.d) of Royal Decree 1066/2007. In either case, the purchase price for the shares of ZOSA will be equal to the price at which the Offer has been settled, adjusted where applicable in accordance with the provisions of sub-section 3.2.1 of the prospectus.

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

The plans and intentions of OSH and the Otis Group with respect to ZOSA are described in chapter 4 of the prospectus.

## CHAPTER 1

### 1.1 Person responsible for the prospectus

Mr. Miguel Liria Plañiol, of legal age, of Spanish nationality, in the name and on behalf of the Offeror, in his capacity as director and specially authorized pursuant to the resolutions adopted on September 23, 2021 by the then sole shareholder of the Offeror (Otis Elevator Company) and the Offeror's managing body, assumes the responsibility for the information included in this prospectus, which has been prepared in accordance with the provisions of article 18 and the Annex of Royal Decree 1066/2007.

Mr. Miguel Liria Plañiol, in the name and on behalf of the Offeror, declares that the data and information included in this prospectus are true, that it does not include misleading data or information, and that there are no omissions that might alter the content hereof.

In accordance with the provisions of article 238 of the Securities Market Law, it is stated for the record that the filing with the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("**CNMV**") of this prospectus and of its accompanying documentation only entails an acknowledgement that these documents include all of the information required by the regulation that establishes their content and in no case shall it result in the CNMV being liable for any inaccurate information contained therein.

### 1.2 Resolutions, scope and applicable law

#### 1.2.1 Resolutions and decisions of the Offeror for the making of the Offer

On September 22, 2021, the sole shareholder of the Offeror as of that date—that is, Otis Elevator Company ("**OEC**")—resolved to make the Offer for purposes of the provisions of article 160.f) of the restated text of the Spanish Companies Law and the delegation to the board of directors, with express powers of substitution, of the power to set out the terms and conditions of the Offer, as well as to perform such acts as may be appropriate or suitable in order to make and implement the Offer, including but not limited to the adoption and formalization of such resolutions and the granting of such powers as are necessary or appropriate for such purpose.

On that same date, OSH's board of directors resolved to make the Offer, setting out its main terms and conditions and, pursuant to the delegation granted by the sole shareholder, also resolved to delegate authority to, among other persons, the person responsible for this prospectus, including granting them the powers to request the corresponding authorization of the Offer, to prepare, sign and file this prospectus and any documents amending it, as well as any other documentation required pursuant to the provisions of the Securities Market Law or Royal Decree 1066/2007, and to perform or make any action, statement or procedure before the CNMV and any competent authority that may be relevant for the outcome of the Offer.

Attached as **Annex 1** to this prospectus is the certification of the resolutions adopted by the Offeror's sole shareholder and the board of directors on September 23, 2021.

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As regards Otis, the sole indirect shareholder of OSH and parent company of the Otis Group, its board of directors authorized the commencement of the Offer at a price of up to 7.00 euros per share by unanimous written consent on September 22, 2021. Attached as **Annex 2** to this prospectus is the certification of the aforementioned resolution, issued in English, as well as its corresponding translation into Spanish.

Additionally, the board of directors of OEC by unanimous written consent on September 22, 2021 authorized the commencement of the Offer at a price up to 7.00 euros per share. Attached as **Annex 3** to this prospectus is the certification of the aforementioned resolution, issued in English, as well as its corresponding translation into Spanish.

On October 5, 2021, OEC transferred all the shares representing the share capital of the Offeror to its wholly-owned subsidiary Highland Holdings S.à r.l. ("**Highland**"). The board of directors of Highland by unanimous written consent on October 5, 2021 ratified the resolutions passed by OEC, in its capacity as sole shareholder of OSH, on the approval of the commencement of the Offer. The Offeror is wholly-owned by Highland.

Attached as **Annex 4** to this prospectus is the certification of the aforementioned resolution, issued in English, as well as its corresponding translation into Spanish.

On December 20, 2021, the board of directors of Otis agreed to increase the initial consideration for the Offer by 0.21 euros per share by unanimous resolution adopted in writing and without a meeting. The certification of the aforementioned resolution, issued in English, together with its translation into Spanish, is attached as **Annex 5** to this prospectus.

In addition, on December 20, 2021, the sole shareholder and the board of directors of OSH agreed to increase the Offer consideration by 0.21 euros per share. Attached as **Annex 6** to this prospectus is the certification of the resolutions adopted by the sole shareholder and the board of directors of OSH on December 20, 2021.

Except as stated, no other Otis Group company has adopted any other decision related to the launch of the Offer by OSH.

### *1.2.2 Scope of the Offer, applicable law and competent authority*

The Offer is a voluntary offer according to articles 137 of the Securities Market Law and 13 of Royal Decree 1066/2007 and is subject to the terms of this prospectus and in accordance with the Securities Market Law, Royal Decree 1066/2007 and other applicable law.

The Offer is made in respect of 100% of the share capital of ZOSA, comprised of 470,464,311 shares. The Offer does not target the ZOSA shares that are indirectly owned by Otis, which have been locked up through completion of the Offer. Consequently, the Offer effectively targets a total of 235,149,580 shares in ZOSA, representing 49.98% of its share capital.

All the shares of ZOSA are admitted to trading on the Spanish Stock Exchanges via the Automated Quotation System (*Mercado Continuo*). The shares of ZOSA are not admitted to trading on any regulated

or unregulated secondary market of a European Union Member State or any other country that is not a member of the European Union.

As ZOSA is a company registered in Spain and its shares are admitted to trading on the Spanish Stock Exchanges, the competent authority to examine the prospectus and authorize the Offer pursuant to the provisions of articles 129 of the Securities Market Law and 1 of Royal Decree 1066/2007 is the CNMV.

### *1.2.3 Markets in which the Offer is made*

The Offer is made exclusively in the Spanish market, and it is addressed to all the shareholders of ZOSA regardless of their nationality or place of residence. The territorial restrictions affecting the distribution of this prospectus and the dissemination of the Offer in certain jurisdictions are stated in sub-section 5.4 of this prospectus.

### *1.2.4 Law applicable to the agreements entered into by the Offeror and the shareholders of ZOSA*

The contractual relationship between OSH and the shareholders of ZOSA who accept the Offer and the effects arising therefrom will be governed by Spanish law (*legislación común española*). Additionally, the courts with jurisdiction to rule on any matter relating to these contractual relationships will be the corresponding Spanish courts and tribunals pursuant to legislation on the civil courts.

## **1.3 Information regarding ZOSA**

### *1.3.1 Corporate name. Registered office*

The target company is Zardoya Otis, S.A., whose business name is “Zardoya Otis”. It is a Spanish public limited company (*sociedad anónima*) with registered office at calle Golfo de Salónica, 73, 28003, Madrid, Spain and with Tax Identification Number (*NIF*, for its initials in Spanish) A-28011153. It was incorporated for an indefinite term on May 9, 1934, is registered in the Commercial Registry of Madrid at volume 1840, folio 177, sheet 33171 and holds LEI number 549300JUQ1YDAUW4BB42.

The articles of association of ZOSA are made available to shareholders on its corporate website (<https://www.otis.com/es/es/accionistas-inversores>).

ZOSA’s financial year starts on 1 December and ends on 30 November.

ZOSA is an Otis Group company. In turn, ZOSA is the parent company of a group of companies that are part of the Otis Group. The list of entities of the ZOSA Group can be consulted in section 2.2 of ZOSA’s annual financial statements corresponding to the fiscal year ended on November 30, 2020, available at the following address: <https://www.otis.com/es/es/accionistas-inversores>.

### *1.3.2 Share capital*

ZOSA’s share capital amounts to 47,046,431.10 euros, represented by 470,464,311 ordinary shares each with a par value of 0.10 euros, all of the same class and series, with identical political and economic rights, fully subscribed and paid-up, and represented in book-entry form, the registration of which is maintained by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.*

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("Iberclear") and its participating entities. The shares of ZOSA have been admitted to trading since 1999 on the Spanish Stock Exchanges via the Automated Quotation System (*Mercado Continuo*).

ZOSA does not have any shares without voting rights or special classes of shares. Nor has it issued any subscription rights, obligations convertible into or exchangeable for shares, warrants, or other securities or instruments that might confer a direct or indirect right to subscribe or acquire shares of ZOSA.

### 1.3.3 Structure of ZOSA's management, decision-making and supervisory bodies

According to article 19 of the articles of association of ZOSA, the board of directors is the corporate body responsible for the administration, representation and management of the company. The articles of association establish that ZOSA's board of directors is to be composed of a minimum of three and a maximum of fifteen directors.

ZOSA's board of directors is currently composed of seven members. According to article 21 of its articles of association, the directors are to hold their position for a four-year period and may be re-elected on one or more occasions for periods of the same maximum duration.

The directors of ZOSA hold the positions stated in the below table and directly or indirectly hold shares representing the share capital of ZOSA as detailed below:

Director	Position	Category	Shareholder represented	Number of shares	% of share capital
Mr. José Miguel Andrés Torrecillas	Coordinating Director	Independent	-	-	-
Mr. Bernardo Calleja Fernandez <sup>(1)(2)</sup>	Chairman	Executive	Otis	90,000	0.02%
Ms. Eva Castillo Sanz	Director	Independent	-	-	-
Euro-Syns, S.A. <sup>(3)(4)</sup>	Director	Proprietary	Euro-Syns, S.A.	52,628,034	11.19%
Mr. Joao Miguel Marques Penedo <sup>(6)</sup>	Chief Executive Officer	Executive	Otis	9,000	0.00%
Otis Elevator Company <sup>(7)</sup>	Director	Proprietary	Otis	-	-
Ms. Stacy L. Petrosky	Director	Proprietary	Otis	-	-
<b>Total</b>				<b>52,726,422</b>	<b>11.21%</b>

**Source:** Unless stated otherwise, public information available on the websites of ZOSA (<https://www.otis.com/es/es/accionistas-inversores>) and the CNMV ([www.cnmv.es](http://www.cnmv.es)).

Notes:

- (1) Executive Director appointed at the request of Otis.
- (2) Number of shares as disclosed by the director himself.
- (3) Represented by Mr. Alberto Zardoya Arana.
- (4) As reflected in the agreement by the Offeror and Euro-Syns, S.A. dated December 21, 2021 which is described in section 1.5.1 of the prospectus.
- (5) Executive Director appointed at the request of Otis.
- (6) Represented by Ms. Robin Fiala.

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Ms. Lorea García Jauregui holds the position of non-director secretary.

According to article 22 of the articles of association of ZOSA, in order for there to be a valid meeting of the board of directors it is necessary for half plus one of its members to attend the meeting in person or by proxy. Resolutions are to be adopted by absolute majority of the directors attending in person or by proxy except if law, the articles of association or the regulations of the board of directors provide for larger majorities.

Within the board of directors, an appointments and remunerations committee and an audit committee have been formed, whose secretary is the secretary of the board of directors.

The audit committee has the following composition:

<b>Member</b>	<b>Position</b>	<b>Category</b>
Ms. Eva Castillo Sanz	Chair	Independent
Mr. José Miguel Andrés Torrecillas	Vice Chair	Independent
Ms. Stacy L. Petrosky	Member	Proprietary

The appointments and remunerations committee has the following composition:

<b>Member</b>	<b>Position</b>	<b>Category</b>
Mr. José Miguel Andrés Torrecillas	Chair	Independent
Otis Elevator Company <sup>(1)</sup>	Member	Proprietary
Ms. Eva Castillo Sanz	Member	Independent
Ms. Stacy L. Petrosky	Member	Proprietary

Notes:

(1) Represented by Ms Robin Fiala.

The organization and functions of these committees are established in the regulations of the board of directors available on the corporate website of ZOSA (<https://www.otis.com/es/es/accionistas-inversores>).

This is a loose translation for information purposes only. In the event of any discrepancies between this document and the corresponding Spanish version, the Spanish version shall prevail.

### 1.3.4 Shareholding structure of ZOSA and private shareholder agreements

#### (A) Shareholding structure

ZOSA is a consolidated subsidiary of Otis and a member of the Otis Group. As at February 21, 2022, ZOSA had the following shareholding structure:

Name / Corporate name	Number of shares	% of share capital
Otis Worldwide Corporation <sup>(1)</sup>	235,314,731	50.02%
Euro-Syns, S.A. <sup>(2)</sup>	52,628,034	11.19%
Setanta Asset Management Limited	7,193,863	1.53%
Norges Bank	5,199,183	1.11%
Citigroup Global Markets Limited	4,799,407	1.02%
Treasury shares	533,655	0.11%
Other Shareholders <sup>(3)</sup>	164,795,438	35.03%
<b>Total</b>	<b>470,464,311</b>	<b>100.00%</b>

**Source:** Except otherwise stated, public information available on the websites of ZOSA (<https://www.otis.com/es/es/accionistas-inversores>) and the CNMV ([www.cnmv.es](http://www.cnmv.es)).

Notes:

- (1) Held through Alder Holdings, S.A.S., an indirect wholly-owned subsidiary of Otis.
- (2) As reflected in the irrevocable agreement by the Offeror and Euro-Syns, S.A. dated December 21, 2021 which is described in section 1.5.1 of the prospectus.
- (3) Emmanuel Boussard (controlling shareholder of Boussard & Gavaudan Partners Limited) is the indirect holder of cash-settled contracts for differences under which it is allocated 6,230,506 voting rights of ZOSA (1.32%). Varenne Capital Partners holds cash-settled equity swaps under which it is allocated 5,188,564 voting rights of ZOSA (1.09%). Samson Rock Capital LLP holds cash-settled equity swaps under which it is allocated 4,712,278 voting rights of ZOSA (1.00%). Citigroup Global Markets Limited also holds financial instruments under which it is allocated 4,201 voting rights of ZOSA (0.001%). This line item also includes the shares held by members of the board of directors of ZOSA (other than Euro-Syns, S.A., which is shown in a separate line item in its capacity as significant shareholder of ZOSA), as detailed in the preceding table relative to the members of the board of directors of ZOSA.

#### (B) Control structure

For purposes of article 5 of the Securities Market Law and article 4 of Royal Decree 1066/2007, it is noted that ZOSA is controlled by Otis (which owns 50.02% of ZOSA indirectly) through Alder Holdings, S.A.S. (“**Alder Holdings**”). Moreover, Otis is the indirect sole shareholder of the Offeror.

#### (C) Private shareholder agreements (*pactos parasociales*)

Neither OSH nor Otis are a party to or are aware of the existence of any private shareholder agreement of the kinds described in article 530 of the Spanish Companies Law that has been entered into by the shareholders of ZOSA or regarding ZOSA.

### 1.3.5 Limitations on voting rights and restrictions on access to management and decision-making bodies

ZOSA’s articles of association provide for special quorums for the general meeting of shareholders to be validly held and to pass resolutions.

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In particular, article 14 of ZOSA's articles of association establishes that the general shareholders' meeting, whether ordinary or extraordinary, shall be validly held on first call when shareholders attending in person or by proxy hold at least 60% of the subscribed voting capital. On second call, the general shareholders' meeting shall be validly held when the shareholders attending in person or by proxy hold at least 50% of the subscribed voting capital. In order for the general shareholders' meeting, whether ordinary or extraordinary, to be able to validly resolve to increase or reduce share capital and any other amendment to ZOSA's articles of association, the issuance of bonds, the cancellation or limitation of the preemptive right to acquire new shares, as well as the transformation, merger or spin-off of ZOSA, or the global assignment of its assets and liabilities, the transfer of its domicile abroad or any other amendment for which a reinforced majority is legally required, it shall be necessary, on first call, the presence of shareholders, attending in person or by proxy, holding at least two thirds of the subscribed voting capital. On second call, the attendance of at least 50% of such capital shall be sufficient.

Otherwise, ZOSA's articles of association do not contemplate any limitations on the voting rights of the shareholders. Each share entitles each shareholder to one vote.

Article 22 of the articles of association also requires that half plus one of the members to be present or represented in order for the meetings of the board of directors to be validly held.

Except for legal restrictions relating to directors' incompatibilities or prohibitions, neither ZOSA's articles of association nor other internal regulations establish restrictions on the access to the board or to the positions of chairman, vice chairman, secretary or vice secretary of the board.

#### *1.3.6 Anti-takeover and compensation measures established by ZOSA*

ZOSA has not adopted any resolutions in application of the provisions of article 135 of the Securities Market Law and of article 29 of Royal Decree 1066/2007 relating to the application of discretionary anti-takeover measures.

### **1.4 Information regarding the Offeror and its shareholders**

#### *1.4.1 Corporate name, registered office, financial year and corporate purpose*

The Offeror's corporate name is Opal Spanish Holdings, S.A.U. The OSH is a Spanish sole shareholder public limited company (*sociedad anónima*) with registered office at calle Suero de Quiñones 34-36, 28002 Madrid, Spain, with Tax Identification Number (*NIF*, for its initials in Spanish) A16808453, registered in the Commercial Registry of Madrid at volume 42,457, folio 160, section 8, sheet number M-748,124, and with Legal Entity Identifier (LEI) code 959800LQY7BC5P3ZJB69.

The company was incorporated on August 12, 2021 through public deed executed before the Notary Public of Madrid, Mr. José Luis Martínez-Gil Vich, under number 3.033 of order of its protocol, and was acquired by OEC, an Otis Group entity, on September 14, 2021.

Pursuant to article 3 of OSH's articles of association it has the following corporate purpose:

*"The corporate purpose will consist of:*

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- a) *Holding, administration, acquisition and disposal of transferable securities and shares of companies and financial instruments, in complete accordance with the Securities Market Act regulations.*
- b) *Acquisition, administration and management of real estate assets, securities' portfolios and investments, all of it on their own account. This corporate purpose will not be developed when it affects the compliance with the regulations on collective investments.*

*The activities comprising the corporate purpose may also be carried out by the company indirectly, through any means permitted by law and, in particular, by holding stakes in other companies that carry out an identical or analogous corporate purpose.*

*The management of the group of entities formed by the subsidiaries of the company (if any) is also included as part of its corporate purpose.”*

OSH is a single purpose acquisition company that has been acquired for the purposes of launching the Offer. OSH has not engaged in any activities other than the adoption of the agreements necessary for the commencement and financing of the Offer, the signing of the related financing agreements that are described in section 2.4.2 of the prospectus and engagement letters with its various advisors and service providers with such purposes.

The Offeror's financial year starts on 1 January and ends on 31 December of each calendar year.

Attached as **Annex 7** hereto is certification issued by the Commercial Registry of Madrid regarding the Offeror, evidencing the incorporation of said company and of its current articles of association.

#### *1.4.2 Share capital*

The Offeror's share capital amounts to 60,000 euros, divided into 60,000 shares each with a par value of 1 euros, all of the same class and series, fully subscribed and paid-up.

Each share grants its holder the right to one vote.

The Offeror has not issued any subscription rights, obligations convertible into or exchangeable for shares, warrants, or other securities or instruments that might confer a direct or indirect right to subscribe or acquire its shares.

The Offeror's shares are not admitted to trading on any regulated securities market.

#### *1.4.3 Structure of management, decision-making and supervisory body*

The Offeror is currently managed by a board of directors made up of the following three directors: Mr. Miguel Liria Plañiol, Mr. David M. Jones and Mr. Bradley G. Thompson. The resolutions of the board of directors shall be adopted by the absolute majority of the directors who are present or represented in the meeting.

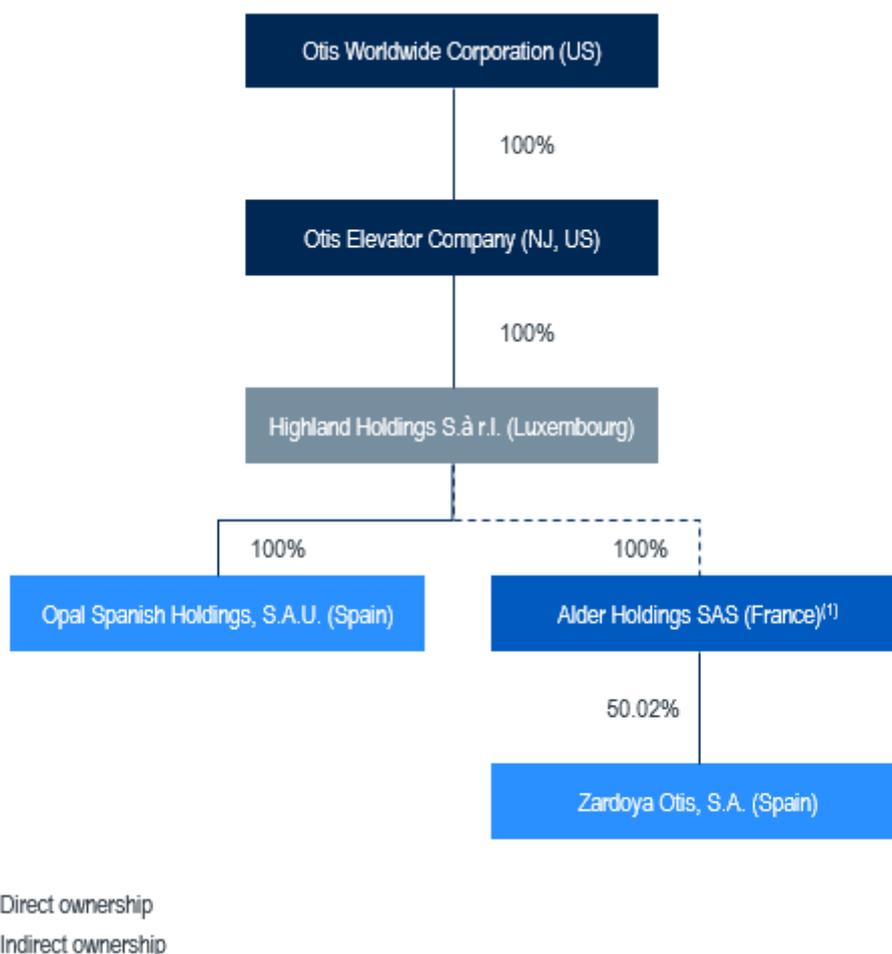
#### *1.4.4 Limitations on voting rights and restrictions on access to the management bodies*

The Offeror's articles of association do not establish limitations on voting rights or restrictions on access to the management bodies.

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#### 1.4.5 The Offeror's shareholding and control structure

The Offeror is directly wholly-owned by Highland, which in turn is directly wholly-owned by OEC, which in turn is wholly-owned by Otis, as shown below:



Note:

(1) Alder Holdings is wholly-owned by Alder France Holdings SAS, which in turn is wholly-owned by Alder Paris Holdings SAS, which in turn is wholly-owned by Juniper Holdings S.à r.l., which in turn is wholly-owned by Highland Holdings S.à r.l.

Alder Holdings, direct holder of 50.02% of ZOSA's capital, mainly owns interest in subsidiaries that conduct the group's operations in EMEA and part of Latin America. Alder Holdings is managed by a board of directors composed of five members, all of which are Otis employees.

Consequently, in accordance with the provisions of articles 5 of the Securities Market Law, 42 of the Code of Commerce and 4 of Royal Decree 1066/2007, OSH is indirectly controlled by Otis.

Otis is engaged in the elevator and escalator manufacturing, installation and service. Its shares are admitted to trading on the New York Stock Exchange. No natural or legal person exercises control over

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Otis on a direct or indirect, individual or joint basis as provided in the applicable United States of America (US) law.

(A) *The Offeror's sole shareholder: Highland Holdings S.à.r.l.*

Highland is the sole shareholder of the Offeror.

Highland is a private 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, Luxembourg*) under number B237108.

The corporate purpose of Highland is the direct and indirect acquisition and holding of participating interests, in any form whatsoever, in Luxembourg and/or in foreign undertakings, as well as the administration, development and management of such interests.

This includes, without limitation the investment in and acquisition and disposal of any type of equity or debt instrument, including shares, founders' shares, profit shares, options, warrants and other equity instruments or rights, partnership interests, limited-liability company interests, preferred shares, securities and swaps, as well as the investment in, acquisition or disposal of, grant or issuance of loans, bonds (convertible or not), notes, preferred equity certificates, debentures, bonds or notes listed on a stock exchange, and other debt instruments, convertible or not, and any combination of the aforementioned, in each case whether freely transferable or not, as well as obligations (including, without limitation, synthetic instruments) in any type of company, entity or other (legal) person. Highland can borrow in any form.

Highland is further entitled to hold any position as, and exercise the functions of, general partner, manager or director in any company with registered office in the Grand Duchy of Luxembourg that belongs to the same group of companies as Highland.

Highland may also use its funds to invest in real estate, in intellectual property rights or any other movable or immovable assets in any form or of any kind.

Highland may grant pledges, guarantees, liens, mortgages and any other form of securities as well as any form of indemnities, to Luxembourg or foreign entities, in respect of its own obligations and debts.

Highland may also provide assistance in any form (including but not limited to the granting of advances, loans, money deposits and credits as well as the providing of pledges, guarantees, liens, mortgages and any other form of securities, in any kind of form) to the Highland's subsidiaries. On a more occasional basis, Highland may provide the same kind of assistance to undertakings which are part of the same group of companies which Highland belongs to or to third parties, provided that doing so falls within Highland's best interest and does not trigger any license requirements.

In general, Highland may carry out any commercial, industrial or financial operation and engage in such other activities as Highland deems necessary, advisable, convenient, incidental to, or not inconsistent with, the accomplishment and development of the foregoing. Notwithstanding the above, Highland shall

not enter into any transaction which would cause it to be engaged in any activity which would be considered as a regulated activity or that would require Highland to have any other license.

Highland's share capital is comprised of 100,020 shares each with a par value of 1 euro, fully subscribed and paid-up. Each share confers a right to one vote. Highland's shares are not admitted to trading on any regulated securities market. The shares are wholly owned by OEC.

Highland has not issued any subscription rights, obligations convertible into or exchangeable for shares, warrants, or other securities or instruments that might confer a direct or indirect right to subscribe or acquire its shares.

Highland's financial year starts on 1 December and ends on 30 November of each calendar year.

Highland is currently managed by a seven-member board of managers: class A managers are Mr. Bradley G. Thompson, Mr. Johannes Jansen, Mr. Michael P. Ryan and Ms. Filipa Grancho, who are all employees of the Otis Group, and class B managers are Ms. Angela Fuentes, Ms. Anita Griotti and Ms. Kristina Velicka, who are external managers. The articles of association do not establish limitations on voting rights or restrictions on access to the management bodies. The resolutions of Highland's managing body shall be adopted with the consent of at least one director of each of the two classes (A and B).

Attached as **Annex 8** hereto is a certified and apostilled copy of the articles of association of Highland, as well as a certified and apostilled extract from the Luxembourg Commercial Registry (*Registre de Commerce et des Sociétés*), together with sworn translations into Spanish of both documents.

(B) *The sole shareholder of Highland: Otis Elevator Company*

OEC is the sole shareholder of Highland.

OEC is a company incorporated in New Jersey 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.

The corporate purposes of OEC are to engage in any lawful activity for which corporations may be organized under the general corporation laws of the State of New Jersey; and, in furtherance, OEC will also have the following powers:

- (i) to manufacture, install, erect, build, furnish, equip, construct, repair, maintain, operate, buy, sell, and, in general, to utilize and deal in and deal with, elevators, escalators, moving walkways and related machinery, including the acquisition by purchase, manufacture or otherwise of all materials, supplies, machinery and other articles necessary or convenient in connection with and in carrying on the business herein mentioned, or any part thereof;
- (ii) to make and enter into contracts of every sort and kind with any individual, firm association, corporation, public or municipal, and with the Government or the United States, or any State or Territory thereof, or any foreign government; and
- (iii) to do all and everything necessary, suitable or proper for the accomplishment of any of the purposes hereinbefore enumerated, or which shall at any time appear conducive or expedient

for the protection or benefit of the corporation, and in general to engage in any and all lawful business whatever, necessary or convenient.

OEC's total number of shares of stock which it shall have the authority to issue is 10,000,000 shares of common stock, each without par value, all of the same class and series, fully subscribed and paid-up. Each share confers a right to one vote. OEC's shares are not admitted to trading on any regulated securities market. The shares are wholly owned by Otis.

OEC has not issued any subscription rights, obligations convertible into or exchangeable for shares, warrants, or other securities or instruments that might confer a direct or indirect right to subscribe or acquire its shares.

OEC's financial year starts on 1 January and ends on 31 December of each calendar year.

OEC is currently managed by a board of directors comprised of three directors: Ms. Judith F. Marks, Ms. Nora E. LaFreniere, and Mr. Rahul Ghai. The articles of association do not establish limitations on voting rights or restrictions on access to the management bodies, save that the board will have the power without the vote of the shareholders to make, alter, amend or rescind the company's by-laws. The resolutions of the board of directors shall be adopted by the majority of the members who are present or represented in the meeting.

Attached as **Annex 9** hereto is a certified and apostilled copy of the articles of association of OEC, as well as a certified and apostilled certificate of status issued by the State Treasurer of the State of New Jersey, together with the sworn translation into Spanish of both documents.

(C) *The sole shareholder of OEC: Otis Worldwide Corporation*

OWC is the sole shareholder of OEC. OWC is a company incorporated in Delaware under the laws of the State of Delaware, with its main office located at One Carrier Place, Farmington, 06032, Connecticut, United States of America and tax identification number 83-3789412.

OWC is the head of a multinational group engaged in the manufacture, installation and service of elevators and escalators. Otis is organized into two segments, new equipment and service. Through the new equipment segment, they design, manufacture, sell and install a wide range of passenger and freight elevators, as well as escalators and moving walkways for residential and commercial buildings and infrastructure projects. Through their service segment, they perform maintenance and repair services for both their own products and those of other manufacturers and provide modernization services to upgrade elevators and escalators. See section 1.8.2 of this prospectus for more information on the activity of Otis.

Otis was incorporated as an independent entity on March 1, 2019 in connection with the separation of United Technologies Corporation ("**UTC**"). Prior to the separation, UTC was organized into four business segments, with each segment comprised of groups of operating companies established worldwide through which operations for each segment were conducted:

- **Otis**: an elevator and escalator manufacturing, installation and service company. The operations conducted by OEC globally, including through ZOSA, were included in this business segment.

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- **Carrier:** a global provider of heating, ventilating, air conditioning (HVAC), refrigeration, fire, security, and building automation products, solutions, and services for commercial, government, infrastructure, and residential property applications and refrigeration and transportation applications.
- **Pratt & Whitney:** a global supplier of aircraft engines for the commercial, military, business jet and general aviation markets.
- **Collins Aerospace Systems:** a global provider of technologically advanced aerospace products and aftermarket service solutions for aircraft manufacturers, airlines, regional, business and general aviation markets, military, space and undersea operations.

Immediately prior to the separation, UTC carried out a corporate reorganization such that Otis became the new holding entity for the all the UTC entities that were part of the elevator and escalator business segment.

The separation was completed on April 3, 2020 through the split of UTC into three separate listed companies: (1) UTC, subsequently renamed Raytheon Technologies Corporation, an aerospace company comprised of the Collins Aerospace Systems and Pratt & Whitney businesses and associated entities, (2) Otis, and (3) Carrier. The separation was effected through the spin-off by UTC of Otis and Carrier and the distribution of part of the shares of Otis and Carrier to the UTC shareholders pro rata to their existing shareholding in UTC. Concurrently with the separation, the shares of Otis and Carrier were admitted to trading in the New York Stock Exchange, the same stock exchange in which the shares of Raytheon Technologies Corporation (former UTC) were and are admitted to trading.

There are no pending transactions in the context of the separation that may have any impact on ZOSA, its group of companies or its shares.

As at December 31, 2021, the share capital of Otis was divided into 434.7 million shares of common stock (including 9.7 million shares held in treasury), each with a par value of 0.01 US dollars and giving the right to one vote. The company's by-laws authorize the issuance by the board of shares of preferred stock, and to fix rights and limitations in relation thereof. No shares of preferred stock are issued or outstanding.

The shares of Otis are admitted to trading on the New York Stock Exchange. The following table shows all holders known to Otis to be beneficial owners of more than 5% of the outstanding shares of Otis common stock (excluding treasury stock) as at December 31, 2021, the most recent date for which information is available:

Shareholder	Number of shares of Otis	% of share capital represented
The Vanguard Group	38,297,402	9.01%
BlackRock, Inc.	37,081,287	8.70%
Rest of shareholders	349,550,282	82.29%
<b>Total</b>	<b>424,928,971</b>	<b>100.00%</b>

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Pursuant to the definitions of the US Securities Act of 1933, which is the applicable piece of legislation, no natural or legal person exercises control over Otis on a direct or indirect, individual or joint basis.

Otis's financial year starts on 1 January and ends on 31 December of each calendar year.

The board of directors of Otis has the following composition:

Member	Position and category
Ms. Judith F. Marks	President, Chief Executive Officer and Chair
Mr. Christopher J. Kearney	Director, Former Executive Chairman
Mr. Jeffrey H. Black	Independent Director
Ms. Kathy Hopinkah Hannan	Independent Director
Mr. Shailesh G. Jejurikar	Independent Director
Mr. Harold W. McGraw III	Independent Director
Ms. Margaret M. V. Preston	Independent Director
Mr. Shelley Stewart, Jr.	Independent Director
Mr. John H. Walker	Lead Independent Director

The board committees of Otis have the following composition:

Committee	Member	Position
Audit Committee	Mr. Jeffrey H. Black	Chair
	Ms. Kathy Hopinkah Hannan	Member
	Mr. Shailesh G. Jejurikar	Member
	Mr. Shelley Stewart, Jr.	Member
Nominations and Governance Committee	Ms. Margaret M. V. Preston	Chair
	Ms. Kathy Hopinkah Hannan	Member
	Mr. Harold W. McGraw III	Member
	Mr. Shelley Stewart, Jr.	Member
Compensation Committee	Mr. John H. Walker	Chair
	Mr. Shailesh G. Jejurikar	Member
	Mr. Harold W. McGraw III	Member
	Ms. Margaret M. V. Preston	Member

Apart from the legal restrictions relating to incompatibilities or prohibitions for directors, there are no statutory restrictions on access to the board of directors of Otis. The resolutions of the board of directors and of its committees are adopted by the majority of the members who are present or represented in the meeting.

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Attached as **Annex 10** hereto is a certified and apostilled copy of the articles of association of Otis, as well as a certified and apostilled certificate of status issued by the Secretary of State of the State of Delaware, together with sworn translations into Spanish of both documents.

The articles of association of Otis do not establish limitations on voting rights or restrictions on access to the management bodies, save that the board will have the power to adopt, amend, alter, change or repeal the company's by-laws.

#### *1.4.6 Concerted action*

Neither the Offeror nor its sole shareholder (Highland), nor OEC, nor Otis, nor any other company of the Otis Group are part of any agreement that might be qualified as an action concerted in relation to ZOSA.

### **1.5 Agreements regarding the Offer and ZOSA**

#### *1.5.1 Agreements between Otis and the shareholders and members of the management, decision-making and supervisory bodies of ZOSA and benefits reserved by the Offeror*

On September 19, 2021, Otis sent a non-binding letter of intent to the chairman of the board of directors of ZOSA expressing its potential interest in commencing the Offer. In addition, Otis expressed it expected for Deloitte, in its capacity as third-party expert, to engage in discussions with ZOSA's senior management in order to review and confirm the projections and assumptions used by Deloitte in its valuation exercise.

The chairman of the board communicated the terms of the non-binding letter of intent to the independent directors and the proprietary director representing Euro-Syns, S.A. in advance of the board meeting scheduled for September 21, 2021, which was further discussed in such meeting.

Following the board meeting, the board of directors of ZOSA authorized Deloitte to hold discussions with the Chief Executive Officer of the Company and subsequently with the Chief Financial Officer of ZOSA, to discuss and review the projections and assumptions used in its valuation exercise.

Subsequent to the admission for processing of the application for authorization of the Offer filed on October 15, 2021, the Offeror held discussions with Euro-Syns, S.A. (shareholder holding 11.19% of ZOSA) in relation to the acceptance of the Offer with all of its shares. As a result of these discussions, on December 20, 2021, the Offeror and Euro-Syns, S.A. entered into an agreement pursuant to which the Offeror agreed to increase the initial Offer price by 0.21 euros per share (from 7.00 euros per share to 7.21 euros per share and adjusted down to 7.07 for the dividends paid on October 11, 2021 and January 10, 2022) and Euro-Syns, S. A. irrevocably committed to tender all of its ZOSA shares (52,628,034 shares representing 11.19% of the share capital) in acceptance of the Offer.

A copy of the aforementioned agreement is attached hereto as **Annex 11**.

The key terms and conditions of the agreement between the Offeror and Euro-Syns, S.A. are summarized below:

- (i) Euro-Syns, S.A. has undertaken to irrevocably accept the Offer with all of its shares in ZOSA within the first five stock exchange trading days of the acceptance period and may not accept any competing offer unless the CNMV does not authorize the Offer or the Offeror withdraws the Offer.

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- (ii) Euro-Syns, S.A. has undertaken to exercise the voting rights attached to its ZOSA shares in order to allow and facilitate the execution of the Offer and against the agreements that, if approved, could reasonably prevent or frustrate the Offer.
- (iii) Euro-Syns, S.A. and its directors have undertaken not to carry out transactions on ZOSA shares.
- (iv) Euro-Syns, S.A., in its capacity as director of ZOSA, has undertaken to express a favorable opinion on the Offer and the consideration offered by the Offeror in the report to be issued by the board of directors of ZOSA, all to the extent legally possible and subject to the directors' fiduciary and other legal duties.
- (v) For its part, the Offeror has undertaken for ZOSA and any subsidiaries that have the term "ZARDOYA" included in their corporate name to change their corporate name to another one that does not include such term within six months following the settlement of the Offer.

The transfer of the shares under the agreement was subject to its approval by the shareholders of Euro-Syns, S.A. for the purpose of article 160.f) of the Spanish Companies Law. This condition was satisfied on January 28, 2022 following the resolution of the general shareholders meeting of Euro-Syns, S.A. held on the same date on second call.

This is the only agreement of Otis and its group of companies with Euro-Syns, S.A., its shareholders and directors relative to ZOSA and the companies of its group.

Except for the aforementioned agreement, there is no agreement relating to the Offer or ZOSA between OSH or the remaining Otis Group companies, on the one hand, and ZOSA, its shareholders or the members of the board of directors of ZOSA, or the members of the management or control bodies of ZOSA, on the other hand, nor are there any benefits that have been reserved to the members of the board of directors of ZOSA.

Euro-Syns, S.A. does not hold any shares of Otis, whether directly or indirectly.

#### *1.5.2 Members simultaneously serving on the management, decision-making and supervisory bodies of ZOSA and of the Offeror*

Otis Elevator Company (OEC), Ms. Stacy L. Petrosky, Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo are members of the board of directors of ZOSA appointed on behalf of Otis. Otis Elevator Company and Ms. Stacy L. Petrosky have the category of proprietary directors representing the Otis Group, and Mr. Bernardo Calleja Fernandez and Mr. Joao Miguel Marques Penedo have the category of executive directors.

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Ms. Robin Fiala (representative of Otis Elevator Company in the board of directors of ZOSA), Ms. Stacy L. Petrosky, Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo hold the following positions within OEC:

<b>Executive</b>	<b>Position</b>
Ms. Robin Fiala	Vice President Sales & Marketing
Ms. Stacy L. Petrosky	Vice President Internal Audit
Mr. Bernardo Calleja Fernández	President Otis EMEA
Mr. Joao Miguel Marques Penedo	Vice President Iberia & Africa

Apart from the above, no other members of the management, decision-making and supervisory bodies of ZOSA and of the companies of its group have been appointed by the Offeror or any of the Otis Group entities nor are they simultaneously members of any management, decision-making or supervisory body of the Offeror or entities of the Otis Group and ZOSA or entities of ZOSA's group.

### *1.5.3 Shares or securities of the Offeror held by ZOSA*

ZOSA does not directly or indirectly hold shares of the Offeror or other securities that embed subscription or acquisition rights in relation thereto.

The only shares held by ZOSA in other entities of the Otis Group are those held in its consolidated subsidiaries that are listed in section 2.2. of ZOSA's annual financial statements corresponding to the fiscal year ended November 30, 2020.

## **1.6 Shares of ZOSA held by the Otis Group**

Otis owns 235,314,731 shares in ZOSA, representing 50.02% of its share capital and 50.07% of the voting rights of ZOSA (i.e., excluding the treasury shares of ZOSA), indirectly through its wholly-owned subsidiary Alder Holdings.

The voting rights attached to the shares held by Alder Holdings (235.314.731 shares) and to the shares held by the following directors of ZOSA, Mr. Bernardo Calleja Fernández (90,000 shares) and Mr. Joao Miguel Marques Penedo (9,000 shares), are the only voting rights that are allocated to Otis for the purposes of the Offer in accordance with article 5 of Royal Decree 1066/2007. As a consequence, the voting rights attached to the aforementioned 235,413,119 shares, which represent 50.10% of the voting rights (excluding treasury shares), are allocated to Otis.

According to the information provided by ZOSA, the company holds 533,655 treasury shares, representing 0.11% of its share capital.

Provided that neither the shares held in treasury by ZOSA nor the shares owned by Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo have been blocked in the context of the Offer, this is addressed also to such shares.

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 appointed at the request of Otis hold any

shares in ZOSA, and no additional voting rights can be allocated to Otis in accordance with article 5 of Royal Decree 1066/2007.

### **1.7 Transactions with shares of ZOSA**

In the 12 months prior to the date of the announcement of the Offer and up to the date of this prospectus, Alder Holdings (an Otis subsidiary) has acquired 35,354 shares of ZOSA, representing 0.008% of its share capital, paying a price per share of 7.00 euros in the context of an open market order—i.e., the date from which the shares were listed without the right to receive the dividend announced by ZOSA on September 22, 2021 through a relevant information notice, and which was paid on October 11, 2021. The breakdown of the aforementioned transactions is as follows:

Transaction Date	Nº of shares	% of share capital	Price per share (in euros)	Type
28/09/2021	33,000	0.007%	7.00	Open Market Order
06/10/2021	2,354	0.001%	7.00	Open Market Order

Neither Otis nor any entity of the Otis Group have acquired, whether directly or indirectly, any ZOSA shares subsequently.

Likewise, ZOSA has acquired its own shares on the basis of the resolution of the board of directors dated December 11, 2018, which was adopted under the authorization granted by the general shareholders' meeting held on 23 May 2018. The purchases were subject to the following conditions: (i) the number of shares to be acquired may not exceed the maximum limit equivalent to 2% of ZOSA's shares; (ii) a minimum price of 2 euros per share and a maximum of 25 euros per share; and (iii) the maximum duration is five years as from the date of the aforementioned general shareholders' meeting.

ZOSA has acquired a total of 3,725,521 shares in the open market, representing 0.79% of the share capital, in the 12 months prior to the date of the announcement of the Offer and up to the date of this prospectus. The maximum price per share within such period amounted to 5.98 euros per share (December 2, 2020) and the lowest price per share within such period amounted to 5.07 euros per share (October 28, 2020).

Additionally, in the 12 months prior to the prior announcement and until the date of the Prospectus, ZOSA has delivered 3,577,735 own shares as consideration for the acquisition of shares in other companies in different transactions:

- On November 4, 2020, ZOSA acquired a minority stake representing the 5.87% of Ascensores Pertor, S.L.'s capital for a total consideration of 2,963,945 euros payable in ZOSA stock. This transaction resulted in the delivery of 564,561 shares of ZOSA on November 4, 2020 at an implied valuation of 5.25 euros per share, based on the closing price of the stock the trading day prior to the delivery of the shares.
- On December 22, 2020, ZOSA acquired the remaining 20% stake in Ascensores Eleva, S.L. for a total consideration of 1,762,268 euros payable in ZOSA stock. This transaction resulted in the

delivery of 309,713 ZOSA shares on December 22, 2020 at an implied valuation of 5.69 euros per share, based on the closing price of the stock the trading day prior to the delivery of the shares.

Additionally, on August 4, 2021, ZOSA delivered 1,235 shares of ZOSA at an implied valuation of 6.625 euros per share as part of the final deferred payment corresponding to the purchase of 80% of Ascensores Eleva, S.L. agreed on June 28, 2019. The 6.625 euros per share price is based on the closing price of the stock the trading day prior to the purchase of the mentioned 80%.

- On March 4, 2021, ZOSA acquired the remaining 48% stake of Montes Tallón, S.A. that was not already held by ZOSA for a total consideration of 13,606,368 euros payable in ZOSA stock. This transaction resulted in the delivery of 2,369,170 ZOSA shares at an implied valuation of 5.74 euros per share, based on the acquisition average price of the treasury shares between November 5, 2020 and February 18, 2021.
- On March 11, 2021, ZOSA acquired 100% of the Ascensores Fit, S.L. for a total consideration of 1,831,800 euros payable in ZOSA stock. This transaction resulted in the delivery of 333,056 ZOSA shares on March 11, 2021 at an implied valuation of 5.50 euros per share, based on the closing price of the stock the trading day prior to the delivery of the shares.

Attached as **Annex 12** hereto is the list of the transactions carried out by ZOSA on its own shares in the twelve-month period prior to the announcement of the Offer and until the date of this Prospectus.

Neither ZOSA nor Otis have a specific policy relative to the purchase of own stock to be used as consideration in the acquisition of other companies. As a general rule, the shares of ZOSA which are delivered as consideration in the companies' acquisition transactions are valued at its last quoted price prior to the delivery.

In the 12 months prior to the date of the announcement of the Offer and up to the date of this Prospectus, Mr. Joao Miguel Marques Penedo has acquired 9,000 shares in the open market, representing 0.002% of the share capital. The maximum price per share within such period amounted to 5.73 euros per share (February 12, 2021) and the lowest price per share within such period amounted to 5.41 euros per share (May 10, 2021). Below is the breakdown of the purchases:

Date of the transaction	Number of Shares	Price per share (in euros)	Type of transaction	Place of transaction
02/12/2021	3,600	5.73	Purchase	Market
05/10/2021	3,000	5.43	Purchase	Market
05/10/2021	1,400	5.42	Purchase	Market
05/10/2021	1,000	5.41	Purchase	Market

The only transactions with ZOSA shares carried out by entities of the Otis Group (including ZOSA), the members of the administration, management and control bodies of Otis; the proprietary directors of ZOSA designated by Otis; and the directors of the rest of companies of the Otis Group during the period of 12

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months prior to the announcement of the Offer and up to the date of this prospectus are the ones described above.

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

Neither OSH nor any of the Otis Group companies intend to acquire shares of ZOSA outside of the Offer. In the event that Otis acquires any shares of ZOSA outside of the Offer, OSH will report the acquisitions to the market as mandated by article 32.6 of Royal Decree 1066/2007.

For its part, Euro-Syns, S.A. has not carried out any transactions with ZOSA shares over the 12 months prior to the announcement of the intention to launch the Offer and until the date of the prospectus.

## **1.8 Activity and economic and financial situation of the Offeror**

### *1.8.1 In relation to the Offeror*

The Offeror is a single purpose acquisition company that has been incorporated for the purposes of launching the Offer. OSH has not engaged in any activities other than the adoption of the agreements necessary for the commencement and financing of the Offer, the signing of the related financing agreements that are described in section 2.4.2 of the prospectus and engagement letters with its various advisors and service providers with such purposes.

The Offeror was originally acquired by OEC on September 14, 2021, and was subsequently transferred to Highland on October 5, 2021.

Attached as **Annex 13** hereto is a copy of a certificate of the unaudited financial information of the Offeror, which includes the balance sheet as at December 31, 2021 and the profit and loss statement for the period comprising the incorporation of the company and December 31, 2021.

The below table summarises the Offeror's main financial parameters as of, and for the period ended, December 31, 2021:

	<b><i>As at and for the period ended December 31, 2021 (in thousand euros) (Unaudited)</i></b>
Net equity .....	1,089,482
Sales .....	0
Cash and cash equivalents .....	1,679,021
Total Assets .....	1,680,876
Net Cash Position .....	1,088,752
Profit/loss for the financial period .....	(10,578)

According to article 253 of the Spanish Companies Law, the Offeror is required to draft the individual annual accounts corresponding to the period ended December 31, 2021 within three months from the end of the referred financial year. The Offeror has not drafted its individual annual accounts corresponding to

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the financial year ended December 31, 2021. In accordance with article 263 of the Spanish Companies Law, the Offeror is not required to audit its accounts.

#### *1.8.2 In relation to Otis*

Otis is the parent company of a group engaged in the elevator and escalator manufacturing, installation and service industries. The Otis Group is present in more than 200 countries and territories and it has around 70,000 employees. The Otis Group had sales of 14.3 billion dollars in 2021 (12.1 billion euros<sup>1</sup>).

Otis is a Delaware corporation and was incorporated on March 1, 2019 in connection with the separation of UTC. Following completion of the separation, Otis became an independent, publicly-traded company, with its shares listed under the symbol "OTIS" on the New York Stock Exchange. For further information on the separation of UTC and the formation of Otis, refer to section 1.4 of the prospectus.

Otis is organized into two segments, new equipment and service which, for the year ended December 31, 2021, contributed 45% and 55% of their net sales, and 21% and 79% of their segment operating profit, respectively. Otis conducts its operations in Spain, Portugal and Morocco through ZOSA, the company subject to the Offer, and the results of ZOSA and its subsidiaries are consolidated with Otis' financial and operational results.

Through their new equipment segment, they design, manufacture, sell and install a wide range of passenger and freight elevators, as well as escalators and moving walkways for residential, commercial and infrastructure projects. In 2021, their new equipment segment had sales of 6.4 billion US dollars (5.4 billion euros<sup>1</sup>) and operating profit of 459 million US dollars (387 million euros<sup>1</sup>). In 2021, their new equipment unit sales in China represented over half of their global new equipment sales by unit volume. Otis new equipment customers include real-estate and building developers and general contractors who develop and/or design buildings for residential, commercial, retail or mixed-use activity. They also sell new equipment to government agencies to support infrastructure projects, such as airports, railways or metros. They sell their new equipment directly to customers, as well as through agents and distributors.

Through Otis' service segment, they perform maintenance and repair services, as well as modernization services to upgrade elevators and escalators. They have a maintenance portfolio of over 2.1 million units globally, which includes Otis equipment manufactured and sold by them, as well as equipment from other original equipment manufacturers. Through their network of service sales personnel, they sell services directly to customers in all significant elevator and escalator end-segments around the world. In 2021, their service segment had net sales of 7.9 billion US dollars (6.6 billion euros<sup>1</sup>) and operating profit of 1.8 billion US dollars (1.5 billion euros<sup>1</sup>). Service customers typically comprise building owners, facility managers, housing associations and government agencies that operate buildings where elevators and escalators are installed.

Otis grows their maintenance portfolio through conversion of newly installed units into maintenance contracts, through prospecting and winning units already in service from customers using another service

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<sup>1</sup> At the applicable exchange rate of 1.186.

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provider and through acquisitions. Their services include inspections, preventive maintenance offerings and other customized maintenance offerings tailored to meet customer needs. Otis also provides customers with repair services to address equipment and component wear and tear, as well as breakdowns. As elevator equipment ages, Otis works with customers to help renew or refresh their elevators with modernization solutions that enhance equipment operation and improve building functionality. Modernization offerings can range from relatively simple upgrades of interior finishes and aesthetics to complex upgrades of larger components and sub-systems. They provide service offerings to customers through a global network of approximately 34,000 service mechanics operating out of over 1,400 branches and offices typically located in close proximity to concentrations of customers. Otis' network of service parts centers, repair centers, and obsolescence management capabilities are key enablers to supporting customers by keeping their elevators and escalators in good working condition.

Otis' annual report for the financial year ended December 31, 2021, including its consolidated financial statements for the aforementioned financial year, prepared in accordance with Generally Accepted Accounting Principles in the US ("US GAAP"), together with PricewaterhouseCoopers LLP's unqualified audit report, is available on the Otis website, accessible via the address <https://www.otisinvestors.com/financials/sec-filings> and attached to this prospectus, together with a Spanish translation of the audit report, the financial statements and the notes, as **Annex 14**.

The below table summarises the main consolidated financial audited parameters for Otis as at, and for the fiscal years ended, December 31, 2021 and December 31, 2020:

	<i>As at and for the fiscal year ended 31 December 2021</i>	<i>As at and for the fiscal year ended 31 December 2020</i>
	<i>(in millions of euros)<sup>(1)</sup></i>	
Net equity attributable to the shareholders <sup>(2)</sup> .....	(2,785)	(2,776)
Sales .....	12,056	10,879
Cash and cash equivalents .....	1,386	1,457
Total assets .....	10,876	8,757
Net financial debt <sup>(3)</sup> .....	5,055	3,418
Profit/loss for the financial year attributable to the shareholders .....	1,051	772

Notes:

- (1) This financial metrics have been extracted from Otis' audited financial statements for the financial year 2021 prepared in accordance with the US GAAP. The financial metrics have been translated to euros utilizing the following rates that have been sourced from Reuters using a period end rate for the balance sheet metrics (1.223 as at December 31, 2020 and 1.1291 as at December 31, 2021) and an average rate for the income statement (1.173 for the year ended December 31, 2020 and 1.186 for the year ended December 31, 2021). The amounts in euros have not been audited.
- (2) Before the Separation, Otis had a positive net equity of 2,128 million US dollars as of December 31, 2019. Prior to the Separation, Otis made a distribution to UTC, its parent company, of 6.3 billion US dollars that was funded out of the proceeds of a new debt raise. Mainly as a result of this, the net equity turned negative to 3,395 billion US dollars as of December 31, 2020. This notwithstanding, a robust income generation profile and strong cash position allow Otis to continue paying dividends to its shareholders.
- (3) Includes the long-term and short-term debt obligations of Otis, including the impact of finance/capital leases minus cash and cash equivalents. The calculation of the net financial debt under US GAAP does not include the restricted cash balance (1,692 million US dollars as of December 31, 2021) which comprised mainly the amount of the cash deposits made by OSH.

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Otis has not published financial statements or financial metrics that are more recent than those previously indicated.

## CHAPTER 2

### 2.1 Securities to which the Offer is addressed

The Offer targets all the issued shares into which ZOSA's share capital is divided, i.e., 470,464,311. The shares indirectly owned by Otis (i.e., 235,314,731 shares in ZOSA, representing 50.02% of its share capital) have been blocked through completion of the Offer and are excluded from the Offer (see section 1.6 above for further information). Attached hereto as **Annex 15** is the ownership certificate issued by Banco Bilbao Vizcaya Argentaria, S.A., in their capacity as depository bank, which evidences title to the shares and that there are no liens or encumbrances over them, as well as that the shares have been blocked through completion of the Offer. Also, attached as **Annex 16** is a letter from Alder Holdings relative to its commitment not to pledge the shares until completion of the Offer.

Consequently, the offer effectively targets a total of 235,149,580 shares in ZOSA, representing 49.98% of its share capital.

ZOSA has not issued any subscription rights, obligations convertible into or exchangeable for shares, warrants, or other securities or instruments that might confer a direct or indirect right to subscribe or acquire its shares. Nor has it issued any shares without voting rights or special classes of shares.

### 2.2 Consideration offered for the securities

#### 2.2.1 Consideration offered for each security and manner in which it will be paid

##### (A) Amount of the consideration

The Offer is made as a share purchase. The price of the Offer is 7.07 euros per share and will be paid in cash. As a result, the maximum total amount to be paid by the Offeror is 1,662,507,530.60 euros.

The initial consideration for the Offer consisted of a cash price of 7.00 euros per ZOSA share and has been adjusted as follows:

- The initial consideration for the Offer was reduced from 7.00 euros per share to 6.93 euros per share as a result of the dividend of 0.074 euros per share paid by ZOSA on October 11, 2021.
- The price of the Offer (which at the time was set at 6.93 euros per share) was increased by 0.21 euros per share to 7.14 euros per shares following the agreement dated December 20, 2021 between the Offeror and Euro-Syns, S.A.
- The price was further reduced for the dividend of 0.076 euros per share paid by ZOSA on January 10, 2022, such that the price was reduced from 7.14 euros per share down to 7.07 per share.

The terms of the Offer are identical for all of the shareholders of ZOSA to whom it is addressed.

##### (B) Adjustment of the consideration as a result of distributions and dividends

The price of the Offer shall be reduced by an amount equal to the gross amount per share of any distribution of dividends, reserves, issue premium or any other distribution to the shareholders of ZOSA

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. To the contrary, the price of the Offer shall not be reduced if the outcome of the Offer is published in the stock exchange bulletins prior to the ex-dividend date.

Otis has made a proposal to delay the payment of the dividend traditionally paid in April and, if applicable, the following dividends until the effective delisting of the shares of ZOSA, either through the exercise of the squeeze-out right or the delisting procedure under article 11.d) of Royal Decree 1066/2007, or until after the settlement of the Offer if the requirements to promote the delisting through the aforementioned procedures are not met, in order to facilitate the execution of the settlement process of the Offer. The members of the board of directors of ZOSA appointed at Otis' request have expressed that they will vote in favour of delaying the payment of such dividends when such a proposal is submitted to the board.

### *2.2.2 Rationale for the consideration*

OSH believes that the price of the Offer satisfies the requirements of article 137.2 of the Securities Market Law, as long as the Offer is an all-cash offer and is justified in accordance with the valuation report issued by Deloitte on February 22, 2022 in accordance with the valuation methodologies set out in said article. The valuation report is attached to this Prospectus as **Annex 17**.

The price of the Offer is within the value range of the aforementioned valuation report.

OSH considers that the price of the offer qualifies as a "fair price" for the purposes of the provisions of articles 130 of the Spanish Securities Market Law and 9 of Royal Decree 1066/2007, insofar as:

- (i) it corresponds to the full price agreed between the Offeror and Euro-Syns, S.A. in the agreement described in section 1.5.1 of the prospectus, and there are no additional compensations other than the agreed price and there are no agreements to defer the payment;
- (ii) it is not lower than the highest price paid or agreed for the acquisition of ZOSA shares by Otis and the entities of the Otis Group, or the members of their management, control and supervisory bodies, and the individuals or entities that may be deemed to be acting in concert with any of them during the 12 months prior to the prior announcement of the Offer and until the date of the prospectus;
- (iii) neither the Offeror nor any of the companies of the Otis Group are party to any agreement in force relating to the purchase or subscription of ZOSA's shares other than the agreement with Euro-Syns, S.A. dated December 20, 2021 which is described in section 1.5.1 of the prospectus; and
- (iv) other than the reduction of the price by 0.14 euros per share as a result of the payment of the dividends on October 11, 2021 and January 10, 2022, which are adjustments of the equitable price as provided for in article 9.4 a) of Royal Decree 1066/2007, none of the circumstances established in article 9.4 of Royal Decree 1066/2007 that could result in the modification of the equitable price have occurred.

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In addition, as indicated above, the valuation report issued by Deloitte, in its capacity as third-party expert, on February 22, 2022 has been prepared according to the rules established in article 10 of Royal Decree 1066/2007 and in article 137.2 of the Securities Market Law to comply with the provisions in the latter of said rules and for purposes of the provisions of articles 82 of the Securities Market Law and article 11.d) of Royal Decree 1066/2007.

#### Valuation report of the ZOSA shares issued by Deloitte

In order to adequately understand this section, it is recommended that it be read together with the valuation report to which it refers, which is attached hereto as Annex 17.

The purposes of the valuation report issued by Deloitte in its capacity as third-party expert is to value the shares of ZOSA in accordance with the methods established in article 137.2 of the Securities Market Law in order to justify the price of the Offer and in article 10 of Royal Decree 1066/2007 for the purposes of the delisting process permitted under article 11.d) of Royal Decree 1066/2007.

In preparing the valuation report, Deloitte has used publicly available information and non-public information provided by Otis and ZOSA, as well as industry, macroeconomic and market sources, and has held discussions with Otis' business development unit and with ZOSA's management (chairman, chief executive officer and chief financial officer). The non-public information comprises, among others, the financial projections of ZOSA prepared by Otis' business development unit for the Offer, the financial projections provided by ZOSA's management, which include the 2022 budget, information on the impairment tests that will be reflected in ZOSA's annual accounts that are to be drafted and explanations on the economic impact of certain specific aspects.

As highlighted in the valuation report, Deloitte understands that the information used is sufficient to issue the valuation report.

The valuation date is November 30, 2021, the date of the latest financial statements of ZOSA released on January 28, 2022, and the valuation report is dated February 22, 2022. In preparing the report, Deloitte has taken into account the relevant information published by ZOSA subsequent to the date of the valuation exercise, which included the aforementioned financial statements, as well as macroeconomic, industry and market data, until the date of the report (i.e., February 22, 2022), although Deloitte maintains its conclusions as of the date of the report.

Deloitte states in the report that there are no conflicts of interest affecting their independence, once the appropriate checks have been conducted.

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The valuation methods used and the valuation range per share resulting from each of them are indicated below:

Valuation method	Range of value per share / euros per share
Discounted cash flows	6.59 – 7.21
Weighted average share price for the last six months (03/23/2021 – 09/22/2021)	5.60
Multiples of comparable listed companies	6.10 – 7.45
Underlying book value (11/30/2020)	0.87
Underlying book value (11/30/2021)	0.91
Considerations in the previous twelve months	7.07
Net asset value	Below value resulting from rest of methodologies

In the valuation report, Deloitte has applied all the methods set forth in articles 10 of Royal Decree 1066/2007 and 137.2 of the Securities Market Law.

After evaluating the results of the selected methods, taking into account the merits of each of them and the quantity and quality of the available data, Deloitte considers the result of the discounted cash flow valuation method to be the most relevant. In their opinion, the value of each ZOSA share is between 6.59 and 7.21 euros per share. This range is the result of applying the discounted cash flow valuation method.

The valuation range of ZOSA shares takes into account the dividend of 0.074 euros per share paid on October 11, 2021 and the dividend of 0.076 euros per share paid on January 10, 2022. Consequently, the valuation range is comparable with the Offer price of 7.07 euros per share after the increase announced on December 21, 2021 and the adjustment for both dividends.

The report justifies the respective relevance of all methods used. In view of the specific features of ZOSA, its activity and the sector in which it operates, Deloitte has not considered other valuation methods other than those used to be relevant.

The Offer price of 7.07 euros per share is within the aforementioned valuation range. The Offer price is not lower than the higher of the fair price referred to in article 9 of Royal Decree 1066/2007 and the value resulting from taking into account, jointly and justifying their respective relevance, the methods contained in the aforementioned articles, and therefore complies with articles 137 of the Securities Market Law and 10 of Royal Decree 1066/2007.

**(i) Discounted cash flows**

The discounted cash flow method is the most widely accepted methodology in the business practice and in international financial markets and is, in the opinion of Deloitte, the most appropriate for valuing ZOSA because it is a dynamic method based on the general concept that the value of a business is equivalent to the present value of the future returns generated by its activity. Its application makes it possible to

obtain an enterprise value by discounting the cash flows to be generated by the business and available for capital providers.

For the application of this methodology, Deloitte has prepared a set of financial projections that cover the period 2022-2025 on the basis of the following information:

- For the evolution of revenues, cost of raw materials, gross margins, personnel cost, other net expenses and EBITDA margins, the financial projections for the period 2022-2025 provided by ZOSA's management have been used, which include the budget for the year 2022 and which are the ones to be used by ZOSA as a basis for the impairment tests to be included in ZOSA's annual accounts for the year 2021, which are pending formulation.

The budget for 2022 was approved by the board of directors on December 13, 2021, but the financial projections in their entirety have not been approved or presented to the board of directors or any committee of ZOSA.

These projections incorporate the effects of the improvement plan that was implemented just over three years ago. This plan is based on initiatives such as the optimization of maintenance routes, the adaptation of the sales structure, the identification of synergies derived from geographic deployment and a policy of reducing the number of companies with the aim of eliminating redundant structure costs.

- For the estimates of portfolio acquisitions and capital expenditure (Capex), as ZOSA's financial projections do not include information, ZOSA's financial projections for the period 2021-2025 provided by Otis have been used. These projections were prepared by Otis' corporate development unit and served as the basis for justifying to Otis' board of directors the range of value of ZOSA shares and approving the Offer in September 2021.
- For the assumptions related to investment in working capital, depreciation and tax rate, Deloitte has included certain adjustments to the assumptions of the aforementioned financial projections, with a very limited impact on the valuation.

ZOSA has three different businesses: new installations, services and exports, whose revenues have been projected separately:

- The new installations business line is going to continue consolidating its recovery in 2022, growing in line with the market in 2023, while in 2024 and 2025 additional growth is expected due to the growth expectations of the construction sector in relevant geographical areas at Spanish level.
- The evolution of the services business activity foresees the maintenance of the existing portfolio and the execution of the new organic and inorganic production portfolio, which incorporates the acquired contract portfolios and those foreseen in the estimates of portfolio acquisitions included in the projections.
- In relation to exports, ZOSA has confirmed that neither the old San Sebastian factory produced nor the new factory produces all of the Otis Group's elevator machines. The investment in this factory is

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fundamentally aimed at improving logistics and efficiency, and it plans to manufacture elevators in line with what it has been doing historically, maintaining a production capacity similar to the previous one, which will allow it to maintain its export activity in comparable terms to the current ones.

The projections contemplate an increase in the cost of raw materials in 2022, as a continuation of the increase in the cost of raw materials started in 2021, assuming that from 2023 onwards the upward or downward corrections will be fully passed on to prices, so there will be no additional impact on the gross margin.

Regarding EBITDA, the projections contemplate a reduction in the EBITDA margin in 2022 to 24.7% versus 25.9% in 2021, mainly driven by the increase in the cost of raw materials. From 2023 onwards, a partial recovery of the EBITDA margin is expected to gradually reach 25.7% in 2025, due to the company's competitive position, the effect of the improvement plan implemented and the expected increases in activity.

In preparing its financial projections, both ZOSA and Otis have taken into account that the impact of COVID-19 on its operations has been limited and that (i) in the coming years the growth path observed in recent history (which was supported by a favourable macroeconomic environment for the construction business, which in turn was a lever for new facilities and consequently for service revenues) will be recovered, with an increase more levered in the services and exports, although competitive pressure will persist at levels similar to the current ones, and that (ii) this growth, together with the plans that have been implemented in relation to cost containment, will allow ZOSA to partially recover its historical margins.

These projections have been prepared in euros as this is the currency in which ZOSA mainly operates. ZOSA's operations in Morocco (Otis Worldwide Maroc S.A.) and Gibraltar (Zardoya Oris (Gibraltar) Limited), as well as the export and import trade transactions it carries out, do not pose a significant foreign currency translation risk, as their balance as of November 30, 2021 amounted to the equivalent in euros of 2.1 million euros.

In relation to the budgets, financial projections and forecasts provided by the management of Otis and ZOSA that have been used in the valuation exercise, Deloitte has reviewed the criteria and assumptions on which they are based, as well as the detail of the relevant information that could affect such valuation exercise in order to check their coherence and consistency in the context of its valuation work.

Deloitte has analyzed the overall consistency and reasonableness of the projections included in the business plans shared by the managements of ZOSA and Otis as a whole from a financial point of view. Considering the historical evolution of ZOSA, the industry outlook and the discussions held with the management of ZOSA and Otis on the prospects and possibilities for the future evolution of the business, Deloitte has considered it reasonable to use the projections referred to above which are derived from those provided by ZOSA itself and by Otis, and the adjustments incorporated at the level of investment in working capital, depreciation allowance and tax rate in order to form its opinion on the application of the discounted cash flow methodology, which is used to obtain its conclusion on the fair value range of ZOSA's shares.

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The time horizon extends to the last year included in the projections provided (2025) and, considering the maturity and consistency shown by ZOSA's businesses in the past and the current expectations of macroeconomic evolution, Deloitte considers that it is sufficient to show a normalized result. Once the cash flow has been estimated over the time horizon up to which the return on assets is considered to stabilize, the terminal value has been calculated as the present value of a perpetual income.

Deloitte has estimated a normalized cash flow in which the evolution of the business supported by ZOSA's competitive position should allow an increase in the EBITDA margin from the 25.7% projected in 2025 to levels that could be obtained from the historical average between 2015 and 2020, to stand at 28.3%, which coincides with the analysts' outlook.

Likewise, Deloitte estimates that the long term growth rate is 1.70%, based on long-term inflation expectations from the International Monetary Fund for Spain (1.70%), Portugal (1.35%) and Morocco (2.00%), weighing the percentage of sales in each territory and rounding the result to one decimal place. Moreover, Deloitte has crosschecked its calculations considering the average long-term growth rates published by analysts that cover the ZOSA stock, i.e., 1.73%, which is in line with long-term macroeconomic growth expectations for these countries.

The estimated cash flows for the explicit period and the terminal value have then been discounted by applying a discount rate calculated using the Capital Assets Pricing Model methodology, the details of which are included in the valuation report.

Deloitte has concluded that ZOSA's discount rate is 7.20%, by rounding to one decimal place the result of the calculation based on the following variables:

Variable	Spain	Portugal	Morocco
Risk free rate	3.24%	3.24%	3.24%
Market premium	5.14%	5.14%	5.14%
Levered Beta	0.75	0.75	0.75
Country risk premium	0.0%	0.34%	1.19%
<b>Cost of equity</b>	<b>7.10%</b>	<b>7.44%</b>	<b>8.29%</b>
% over sales	89.91%	7.76%	2.33%
<b>Discount rate conclusion</b>	<b>7.20%</b>		

Deloitte considers that the capital structure to be used for the calculation of the discount rate (target financial structure) is a financial structure of ZOSA with no net financial debt. ZOSA has a positive net financial position, in line with the capital structure it has been showing historically and with that of the other companies in its sector. In all cases, except for Otis, which operates with financial leverage derived from the separation of UTC carried out in March 2020, they operate without debt, financing their operations with the cash they generate due to their cash generation capacity. This assumption is consistent with the expected cash flow structure and is the one under which Otis management intends to continue operating ZOSA.

Deloitte has calculated its conclusion on the value of ZOSA by performing a sensitivity analysis to the discount rate of +/- 0.25% (6.95% and 7.45%) resulting in an enterprise value (EV) of between 3,076 million euros and 3,369 million euros. Deloitte has made the following adjustments to the lower and upper limits of the EV:

- It has added the net financial position according to the financial statements as of November 30, 2021 in the amount of 61 million euros.
- Subtracted the amount of the dividend paid by ZOSA on January 10, 2022 in the amount of 35.7 million euros.
- Subtracted the amount of provisions and the book value of non-controlling interests in the amount of 5.6 million euros and 2.8 million euros, respectively.
- It has added the estimated proceeds of the sale of the part of the land of the former San Sebastian factory that has not yet been sold, which amounts to 5.1 million euros net of taxes.

After making the aforementioned adjustments, Deloitte has obtained an equity value of between 3.098 and 3.390 million euros, which after dividing by the number of shares (excluding treasury stock) results in a value range of between 6.59 and 7.21 euros per ZOSA share.

#### **(ii) Weighted average share price for the last six months**

Article 137.2 of the Securities Market Law requires considering the average market value over a certain period and article 10 of Royal Decree 1066/2007 requires to take into consideration the average share price for the six months prior to the announcement of the Offer. This is why different periods prior to September 23, 2021 (date of the announcement of the Offer) and March 11, 2020 (date on which COVID-19 was classified as a global pandemic by the WHO) have been considered.

Deloitte has also taken into account that, in general terms, the stock price reflects the prices at which the market exchanges securities for monetary units and, therefore, is in itself a value reference, provided that such stock price is supported by representative liquidity levels. In this regard, in accordance with Delegated Regulation 2017/567 and the guidelines established by the Markets in Financial Instruments Directive (MiFID II) the ZOSA share is considered a liquid share.

An analysis of the share price performance over the various periods considered shows that, since the pandemic was declared, the share price has been consistently below its previous values. If the weighted average share prices over periods prior to the announcement of the Offer are compared, the weighted average share price remains at approximately 5.6 euros per share; while for the same periods, taken before March 11, 2020, the pre-COVID-19 period, the weighted average share price was approximately 6.8 euros per share.

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<b>September 23, 2021</b>	<b>6 months</b>	<b>12 months</b>	<b>18 months</b>
Weighted average trading price (euros per share)	5.60	5.58	5.73
<b>March 11, 2020</b>	<b>6 months</b>	<b>12 months</b>	<b>18 months</b>
Weighted average trading price (euros per share)	6.79	6.76	6.77

Deloitte does not consider it appropriate to take as relevant the average share price prior to the start of the pandemic, as more than 18 months have elapsed and, in that period, the company has published sufficient information to show the impact that the pandemic has had on ZOSA's operations and financial position and the general and industry economic outlook has changed since then.

Accordingly, Deloitte has taken the weighted average share price for the six months immediately prior to the announcement of the Offer, which is 5.6 euros per share, as the value benchmark for this method. This price has been calculated as the simple average of the weighted average prices for the period and is the average that Deloitte considers most representative for the reasons indicated above.

Finally, the evidence of this difference between the price before and after the start of the COVID-19 pandemic, which in both cases is lower than that resulting from the application of the discounted cash flow method on which Deloitte bases its conclusion on the value, leads Deloitte to conclude that, although the stock price is a relevant methodology, it does not consider it for the purposes of its conclusion.

### **(iii) Multiples of comparable listed companies**

The comparable listed companies' market multiples approach indicates ZOSA's market value by comparing it with similar listed companies. This approach is valid to the extent that information on reasonably comparable businesses is available.

Deloitte has selected for its analysis companies operating in the elevator and moving stairways industry, in similar regions and with the same type of business. The EV/EBITDA multipliers derived for ZOSA are 13.6x (for the average of the set of comparables) and 16.6x (for the median). As a result of applying this multiplier, ZOSA's share value range would be between 6.10 and 7.45 euros per share.

Deloitte's conclusion is not based on the results obtained from the application of this method, since the comparability of ZOSA with the rest of the companies analyzed is limited, due to the particular conditions in which it operates, as a subsidiary of the Otis Group, in a restricted manner in certain markets that present a distinctive competitive environment which means that they present notable differences in terms of profitability and growth expectations. They also differ from ZOSA in size and markets in which they operate, some of them having a global business.

In addition, the selected comparable companies, of which there are only five, have a wide range of EV/EBITDA multiples, which limits the representativeness of the multiples obtained.

### **(iv) Multiples of comparable transactions**

The comparable transactions market multiples approach indicates ZOSA's market value by comparing it with similar companies that have been subject to private transactions. This approach is valid to the extent that information on reasonably comparable businesses is available.

Deloitte has selected for its analysis mergers and acquisitions within the elevator and moving stairways sector in Europe, carried out from January 1, 2015 to February 22, 2022. The EV/EBITDA multipliers derived from the analyzed transactions are 13.2x (for the average of the set of comparables) and 14.5x (for the median).

Deloitte has disregarded the applicability of this method due to the fact that the specific characteristics of the companies and transactions that have been analyzed do not allow for the multiples to be translated to ZOSA's valuation due to considerations such as business model, relative size, growth prospects, profitability and other transaction terms.

#### **(v) Underlying book value**

Deloitte considers that the underlying book value is not an appropriate method for its conclusion, since it is based on a static approach that considers the assets and liabilities invested in the business at the time of the valuation at their recorded value, except for certain adjustments of assets and liabilities at fair value, which may not take into account the total unrealized capital gains or losses that the company may have and does not take into account the future evolution of the returns expected by the company.

The consolidated underlying book value of ZOSA based on the audited financial statements for the year ended November 30, 2020 is 0.87 euros per share and the consolidated underlying book value of ZOSA based on the unaudited financial statements for the second half year ended November 30, 2021 is 0.91 euros.

#### **(vi) Considerations in the previous twelve months**

There has not been any previous takeover bid for ZOSA's shares since its initial public offering.

Article 137.2 of the Securities Market Law requires including, among the valuation methods and criteria, the value of the consideration paid by the offeror for the same securities in the twelve months prior to the offer, and therefore the following value references have been considered in said period:

- **Irrevocable commitment with Euro-Syns, S.A.:** On December 20, 2021, the Offeror and Euro-Syns, S.A. entered into an agreement whereby the Offeror committed to increase the Offer price from 7 euros per share to 7.21 euros per share and Euro-Syns, S.A. irrevocably committed to accept the Offer with all its shares (11.19% of ZOSA's share capital). The price was adjusted to 7.07 for the dividends paid in accordance with the provisions of the irrevocable commitment.
- **Acquisitions:** Alder Holdings acquired 35,354 ZOSA shares, representing 0.008% of the capital, at a price of 7.00 euros per share in execution of a sustained purchase order that remained on the market until October 7, 2021.
- **Purchases of treasury stock:** ZOSA acquired a total of 3,725,521 treasury shares, representing 0.79% of the share capital. The highest price paid by ZOSA in that period was 5.98 euros per share (December 2, 2020), while the lowest price was 5.07 euros per share (October 28, 2020).

- **Delivery of ZOSA shares in consideration for the purchase of companies:** ZOSA has carried out three company acquisitions: Ascensores Eleva, S.L. (December 2020), Montes Tallón, S.A. (March 2021) and Ascensores Fit, S.L. (March 2021). The prices of the shares delivered in consideration in each of the above transactions were 5.69, 5.74 and 5.50 euros per share, respectively.
- **Value of ZOSA in the separation of UTC:** The value benchmark for ZOSA in the separation was established based on the closing price on December 16, 2019 applying a 10% discount, reflecting a value of 6.33 euros per share, which implied an EV/EBITDA multiple of approximately 13.8x.

While the above benchmarks provide a range of between 5.07 and 7.07 euros per share, Deloitte considers the benchmark of 7.07 euros per share derived from the agreement with Euro-Syns, S.A. to be the most representative.

#### **(vii) Net Asset Value**

For the reasons stated in the valuation report, Deloitte considers that the application of this method would result in significantly lower values than those obtained from the other methods.

#### *2.2.3 Other information regarding the price of the Offer*

The price of the Offer, after the increase announced in December 21, 2021 and before adjusting for the dividends paid on October 11, 2021 and January 10, 2022 (i.e., 7.21 euros per share), represented a premium of approximately:

- (i) 34.8% to the closing price of the shares of ZOSA on the trading day before the publication of the announcement of the Offer on September 22, 2021 (5.35 euros per share);
- (i) 32.8% to the one-month volume-weighted average quoted price of ZOSA's shares as at the trading day before the publication of the announcement of the Offer (5.43 euros per share);
- (ii) 28.8% to volume-weighted average quoted price of ZOSA's shares corresponding to the period of six months on the trading day prior to the publication of the announcement of the Offer (5.60 euros per share).

#### **2.3 Conditions to which the Offer is subject**

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

## 2.4 Guarantees and financing of the Offer

### 2.4.1 Type of guarantees established by the Offeror

The Offeror has made two cash deposits for an aggregate amount of 1,662,507,531 euros in two bank accounts held by OSH with Banco Santander, S.A., with the following breakdown:

Date	Amount Funded (€)
11/12/2021	1,629,586,590
12/29/2021	32,920,941
<b>Total</b>	<b>1,662,507,531</b>

The aggregate amount of the cash deposits covers the full amount of the total cash consideration payable under the Offer.

Such deposits were set up with the aim of guaranteeing the full and timely fulfilment of the obligations resulting from the Offer. The credit rights that are derived from the deposit in favour of the Offeror are considered as financial guarantee in accordance with Royal Decree Law 5/2005, of March 11, of urgent reforms for boosting productivity and improving government procurement, remaining, therefore, subject to the legal regime provided for in the aforementioned regulation and, in particular, in section four of article fifteen of the aforementioned Royal Decree Law.

Attached as **Annex 18** to this Prospectus is a copy of the certificates of deposit issued by Banco Santander, S.A., which certify the constitution of the cash deposits and the constitution of the financial guarantees on the aforementioned terms.

Initially, the Offeror submitted to the CNMV six first-demand bank guarantees (*avales bancarios*), which were issued on October 14, 2021 by Morgan Stanley Bank AG, HSBC Continental Europe, J.P. Morgan AG, Citibank Europe Plc, Goldman Sachs Bank Europe SE and SMBC Bank EU AG for an aggregate principal amount of 1,629,586,590 euros. The bank guarantees were replaced on November 12, 2021 with the cash deposit that was funded for an amount of 1,629,586,590 euros.

On December 29, 2021, as a result of the increase in the Offer price announced on December 21, 2021 following the agreement with Euro-Syns, S.A., the Offeror made two additional cash deposits for an aggregate amount of 49,381,412 euros in two accounts held by OSH with Banco Santander, S.A. for an amount of 32,920,941 and 16,470,461 euros, respectively. On January 13, 2022, and following the downward adjustment of the price of the Offer from 7.14 to 7.07 euros per share as a result of the dividend for an amount of 0.076 euros gross per share paid on January 10, 2022, the cash deposit in the amount of 16,470,461 euros was released given that the total consideration for the Offer was covered by the aggregate amount of the restricted cash deposits amounting to 1,629,586,590 and 32,920,941 euros.

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#### 2.4.2 Sources of financing for the Offer

If the Offer is accepted by all of the shares to which it is effectively addressed, that is, 235,149,580 shares of ZOSA representing 49.98% of its share capital, the Offeror shall be required to make a payment of 1,662,507,530.60 euros.

OSH has the necessary funds available to pay the total consideration of the Offer as evidenced through the restricted cash deposits referred to in the previous section.

The deposits have been funded via a combination of an equity contribution that was made by the sole shareholder of the Offeror (Highland) amounting to 1,100 million euros and a loan (which has been novated and extended) amounting to 578,968,002 euros made available by Highland. The key terms and conditions of the intragroup financing are summarized in the following table:

<b>Lender:</b>	Highland
<b>Borrower:</b>	OSH
<b>Principal amount:</b>	578,968,001.20 euros
<b>Currency:</b>	Euro
<b>Maturity date:</b>	November 12, 2026
<b>Interest rate:</b>	0.34% per annum with annual payments
<b>Amortization schedule:</b>	Single payment at maturity (bullet)
<b>Guarantees:</b>	None
<b>Financial covenants and ratios:</b>	None

The funds made available to the Offeror by Highland originate, in turn, from a bond offering carried out by Highland on November 12, 2021 and cash available in the balance sheet of the Otis Group entities. The bonds were issued in an aggregate amount of 1,600 million euros in the following three series: (i) 500 million euros 0.000% notes due 2023; (ii) 600 million euros 0.318% notes due 2026 (with interest payable annually); and (iii) 500 million euros 0.934% notes due 2031 (with interest payable annually). Each series of bonds is unconditionally guaranteed by Otis and are not secured by assets of, or shares in, any entities of the Otis Group and the terms of the bonds do not require compliance with any financial ratios, covenants or other obligations.

In the event of a change of control of Highland or Otis, the bondholders will have the right to require Highland to purchase all or a portion of the Notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest. Apart from that, there are no other early prepayment events at the request of bondholders or the satisfaction of any conditions.

The bonds were placed among qualified investors through a private placement and were admitted to trading in the New York exchange.

Highland may redeem any series of the bonds, in whole or in part, at any time at the applicable redemption price described in the prospectus of the bonds. In addition, the bonds may be redeemed in whole but not

in part, at any time at the Highland's option in the event of certain developments affecting the tax laws of Luxembourg, the United States or another relevant taxing jurisdiction.

Prior to the issuance of the bonds, on September 22, 2021, OSH, as borrower, Otis Worldwide Corporation, as guarantor, and Morgan Stanley Senior Funding, Inc., as administrative agent, among others, entered into a 1,650,000,000 euros bridge credit agreement. The bridge credit agreement and the related financing documents, together with the lenders' commitments under the bridge credit agreement, were cancelled on November 12, 2021, following the issuance of the bonds by Highland and once the aforementioned cash deposit for an amount of 1,629,586,590 euros referred to in section 2.4.1 above was funded.

#### *2.4.3 Refinancing and servicing of the debt*

Otis intends for the dividends coming from Zardoya to be used by the Offeror to service the repayment of principal and payment of interest on the intragroup financing described above.

In addition, Otis intends for Highland to use the amounts coming from OSH and the dividends coming from other European subsidiaries of Highland to pay interest on the notes.

Otis intends to refinance the bonds at maturity.

#### *2.4.4 Effects of the financing on ZOSA*

Neither the bonds nor the intragroup financing described in section 2.4.2 above will have a direct impact on the ordinary course of the businesses of ZOSA. In particular, ZOSA will not secure (whether by way of security interest or personal guarantee) the financing referred to above or any other amounts to be used for the payment of the cash purchase price or the costs and expenses of the Offer.

The terms and conditions of the bonds do not contain undertakings that directly limit ZOSA's ability to distribute dividends in the ordinary course of its business or impose any obligations on ZOSA to distribute any dividends, or any covenants that may limit Otis's ability to raise incremental debt at a consolidated level nor, any covenants that may affect ZOSA or limit ZOSA's investment policy or activity whatsoever.

## CHAPTER 3

### 3.1 Offer acceptance and settlement process

#### 3.1.1 Offer acceptance period

The acceptance period for this Offer is 31 calendar days as from the stock exchange trading day following the date of publication of the first of the announcements referred to in article 22 of Royal Decree 1066/2007 and which will be published: (i) in the listing bulletins of the Spanish Stock Exchanges; and (ii) in a national newspaper (excluding digital media). The date of publication of the announcements in the listing bulletins will be deemed to be the date of the stock exchange trading session to which they refer.

Both the first and last day of the aforementioned period will be included for purposes of calculating the period. If the first day of the term is not a stock exchange trading day, the acceptance period will start on the first subsequent trading day. If the last day of the acceptance period is not a stock exchange trading day, the acceptance period will be extended until the first subsequent stock exchange trading day. In any event, the acceptance period will end at midnight (23:59) on the last day of the period.

The Offeror may extend the acceptance period for the Offer on one or more occasions in accordance with the provisions of article 23 of Royal Decree 1066/2007, provided that it does not exceed the maximum limit of 70 calendar days and the CNMV is given prior notice of the extension. Any extension of the acceptance period must be announced by the same means through which the Offer has been published, at least three calendar days before the end date of the initial period, together with a statement of the circumstances justifying the extension.

Attached as **Annex 19** hereto is the template announcement to be published in the listing bulletins of the Spanish Stock Exchanges, and in at least one national newspaper. Also attached as **Annex 20** hereto is the letter of the Offeror in relation to the advertising of the Offer.

#### 3.1.2 Formalities with which the addressees of the Offer must comply in order to state their acceptance, as well as the form and time in which they will receive the consideration

##### (A) Statements accepting the Offer

The shareholders of ZOSA will make the statements accepting the Offer in accordance with the procedure established in this Prospectus.

The acceptance statements submitted by the addressees of the Offer after the last day of the acceptance period shall not be valid and, therefore, shall not be included in the result of the Offer.

The acceptance statements shall be revocable at any time before the last day of the said period and shall not be valid if they are subject to a condition, in accordance with the provisions of article 34.3 of Royal Decree 1066/2007. Likewise, the acceptance statements referring to shares whose contracting dates are after the last day of the Offer acceptance period and those declarations of acceptance sent by the addressees of the Offer outside the said period shall not be valid.

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(B) *Offer acceptance procedure*

The addressees of the Offer who wish to accept the Offer must contact the corresponding financial entity and state their acceptance in writing, whether in person, by electronic means or by any other means accepted by the entity.

The addressees of the Offer may accept it, with respect to all or part of the shares of ZOSA, from the first day of the acceptance period through the last day, both inclusive. Any acceptance statement must comprise, at least, one share of ZOSA.

The shares with respect to which the Offer is accepted must include all corresponding political and economic rights, whatever their nature. The shares must be transferred: (i) with all the corresponding economic and political rights, (ii) free of charges and encumbrances and third-party rights that limit their political or economic rights or free transferability, and (iii) by a person entitled to transfer them according to the entries of the corresponding accounting books, such that the Offeror acquires irrevocable ownership of the shares in accordance with the provisions of article 11 of the Securities Market Law.

In accordance with the provisions of article 34. 2 of Royal Decree 1066/2007, during the Offer acceptance period, the financial entities that receive the acceptance statements from the Offer addressees shall send daily to the Offeror, through the representative appointed for this purpose indicated below, and to the governing bodies of the Spanish Stock Exchanges, aggregated, the data relating to the number of shares included in the acceptance statements presented, whether they are acceptances that the interested parties have sent directly to them, or if they refer to acceptances made through an entity participating in Iberclear.

The entities that have communicated global acceptance statements from recipients of the Offer that subsequently revoke their acceptances must submit new global statements that modify and replace the previous ones.

The acceptance statements sent by the addressees of the Offer after the last day of the acceptance period will not be valid and will therefore be rejected and will not be counted as acceptance and therefore will not be included in the result of the Offer.

The following entity is the Offeror's representative for the purposes of the communications of the aforementioned acceptance statements:

Banco Santander, S.A.  
C/ Juan Ignacio Luca de Tena nº 11  
28027 Madrid  
A/A: Carlos López Villa y Carlos Sanz Bautista  
[emisores.madrid@gruposantander.com](mailto:emisores.madrid@gruposantander.com)

The Offeror and the governing bodies of the Spanish Stock Exchanges will upon request provide the CNMV with information on the number of acceptance statements received.

Once the acceptance period has ended and within the term established in the operating instructions issued and published by the Spanish Stock Exchanges, the valid acceptances of the Offer will be sent by

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the receiving entities to the governing entities of the Spanish Stock Exchanges through the depositary entities participating in Iberclear in which the corresponding shares are deposited, who will be responsible for collecting such acceptances in writing, in person, by electronic means or by any other means admitted by the depositary entities, and shall be responsible, in accordance with their detailed records, for the ownership and holding of the shares to which the acceptances refer, as well as for the non-existence of charges and encumbrances or rights of third parties that limit the political or economic rights of such shares or their free transferability.

The acceptances of holders of ZOSA shares shall be accompanied by sufficient documentation to be able to proceed with the transfer of the shares and must include all the identification data required by the applicable regulations for this type of transactions, which by way of example and without limitation shall be: (i) full name or corporate name, (ii) domicile and (iii) tax identification number or, in the case of shareholders who are not residents in Spain and do not have a Spanish tax identification number, their passport or identification number, nationality and place of residence.

In no case shall the Offeror accept shares whose trading date is later than the last day of the Offer acceptance period or acceptance statements sent by the recipients of the Offer outside the said period. In other words, the trading date of those shares offered for sale must have taken place no later than the last day of the Offer acceptance period and the declarations of acceptance must also be sent by the addressees of the Offer no later than the said period.

All of the above refers to the acceptances of the holders of the securities and to the role of the financial institutions and investment services entities that receive them in the first place. It does not affect, therefore, the subsequent information flows between the entities that receive them, the custodians, the Iberclear participants and the market infrastructures to carry out the necessary processes for the communication to the governing companies of the Spanish Stock Exchanges of the details of the acceptances resulting from the declarations or orders of acceptance.

The information on the number of acceptances presented, pursuant to the provisions of article 35.2 of Royal Decree 1066/2007, may be obtained by the interested parties during the Offer acceptance period, upon request and complete identification of the applicant, either at the address of the Offeror or at the address of its representatives.

*(C) Publication of the result of the Offer*

In accordance with the provisions of article 36 of Royal Decree 1066/2007, upon the expiry of the acceptance period established in sub-section 3.1.1 of this prospectus or of the period resulting from any extension or modification thereof, and within a term not exceeding seven business days as from that date, the governing bodies of the Spanish Stock Exchanges will publish the result of the Offer in the listing bulletins subject to the terms and session stated by the CNMV.

The date of publication of the result of the Offer will be deemed to be the date of the stock exchange trading session referred to in the aforementioned listing bulletins in which the result of the Offer is published.

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(D) *Brokerage, settlement and payment of consideration for the Offer*

The acquisition of the shares addressed in the Offer shall be intervened and settled by Banco Santander, S.A. in its capacity as a member of the Spanish Stock Exchanges and as a participant in Iberclear and intermediary of the transaction on behalf of the Offeror.

The settlement and payment of the share price shall be carried out in accordance with the procedure established for this purpose by Iberclear. The trading date that shall be considered for the corresponding stock exchange transaction shall be that of the session referred to in the Official Quotation Bulletins of the Spanish Stock Exchanges which publish the result of the Offer.

*3.1.3 Offer acceptance and settlement costs*

The shareholders of ZOSA who accept the Offer through Banco Santander, S.A. will not bear the brokerage fees arising from the participation of a market member in the transaction, Iberclear's settlement fees, or the transaction fees of the Spanish Stock Exchanges, which will be paid in full by the Offeror.

If market members other than Banco Santander, S.A. broker the Offer on behalf of the shareholder accepting the Offer, the brokerage fees and other expenses of the selling party in the transaction, including Iberclear's settlement fees and the transaction fees of the Spanish Stock Exchanges, will be borne by the accepting shareholder.

The Offeror will bear the costs it incurs for the acquisition and settlement of the shares.

In no case will the Offeror bear any fees or expenses that the entities acting as depositaries and administrators of the shares charge their customers for processing orders of acceptance of the Offer and the maintenance of balances.

Any costs other than those referred to above will be borne by the party that incurs them.

*3.1.4 Financial intermediaries acting on behalf of the Offeror in the acceptance and settlement procedure.*

The Offeror has appointed Banco Santander, S.A. with registered office at Paseo de Pereda 9-12, Santander, tax identification number (*NIF*, for its initials in Spanish) A-39000013 and registered in the Commercial Registry of Santander at volume 448, sheet 1, sheet S-1960 as the entity responsible for the brokerage and settlement of any ZOSA share acquisition transactions that might result from the Offer.

Banco Santander, S.A. will also be the entity responsible for the brokerage and settlement of squeeze-out and sell-out transactions, when appropriate, on the terms described in this prospectus.

Attached as **Annex 21** hereto is a copy of the letter of acceptance from Banco Santander, S.A. as a member of the Spanish Stock Exchanges, and the entity in charge of the intervention and settlement of the Offer.

## **3.2 Formalities regarding squeeze-out and sell-out transactions**

### *3.2.1 Squeeze-out and sell-out requirements*

In accordance with the provisions of article 136 of the Securities Market Law, the requirements for the exercise of squeeze-out and sell-out rights will be met if the following circumstances have occurred by the Offer settlement date: (i) the Offeror holds shares representing at least 90% of the share capital of ZOSA with voting rights; and (ii) the Offer has been accepted by shareholders representing at least 90% of the voting rights other than those held by Otis.

Otis holds 235,314,731 shares of ZOSA, representing 50.02% of its capital. Additionally, as indicated in section 1.6 above, the voting rights attached to the ZOSA shares held by Mr. Bernardo Calleja Fernández (90,000 shares representing 0.019% of the capital) and Mr. Joao Miguel Marques Penedo (9,000 shares representing 0.002% of the capital), who are directors of ZOSA appointed at the request of Otis, are also allocated to Otis. As a result, Otis holds 235,413,731 voting rights representing 50.10% of ZOSA's total voting rights.

Taking this into account, the squeeze-out thresholds will be deemed to have been met if at least 211,545,522 shares, representing 90% of the voting rights of ZOSA other than those allocated to Otis and 44.97% of ZOSA's capital, are tendered. This number of shares, together with the 235,413,731 voting rights allocated to ZOSA, represent 95.00% of ZOSA's capital.

In the event that ZOSA does not tender the shares held in treasury (533,655 shares representing 0.11% of the capital) and that the shares are held in treasury on the settlement date of the Offer, Otis undertakes to promote that ZOSA resolves to cancel the treasury stock, thus reducing ZOSA's share capital and blocking the shares in the meantime. In this scenario, and taking into account the voting rights allocated to Otis, the conditions to exercise the squeeze-out right shall be deemed to have been satisfied if at least 211,065,233 shares representing 90% of the voting rights of ZOSA other than those allocated to Otis after deducting the treasury stock and 44.91% of ZOSA's capital post-capital reduction are tendered in acceptance of the Offer. This number of shares, together with the 235,413,731 voting rights of ZOSA (50.10% of the capital post-capital reduction) held by Otis represent 95.01% of ZOSA's capital post-capital reduction.

For any other number of treasury shares, and as long as they are cancelled, the calculations will be revised to confirm that the requirements to exercise the squeeze out right have been satisfied.

In the event that Mr. Bernardo Calleja Fernández or Mr. Joao Miguel Marques Penedo tender their shares in acceptance of the Offer, these shares will not count towards the squeeze-out thresholds and will be deducted from the acceptance tally to determine whether the requirements to exercise the squeeze-out right have been satisfied or not. In this scenario, the requirements under article 136 of the Spanish Securities Market Law will be deemed to have been met if the following number of shares are included in the acceptance statements:

- (i) If the treasury stock is tendered in acceptance of the Offer, 211,644,522 shares representing 90.004% of the voting rights attached to the shares effectively targeted in the Offer (i.e., including

the shares held by Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo) and 44.99% of ZOSA's capital.

- (ii) If the treasury stock is not tendered in acceptance of the Offer, and taking into account Otis' commitment to cancel the shares held in treasury, 211,164,233 shares representing 90.004% of the voting rights attached to the shares effectively targeted in the Offer (including the shares held by Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo) deducting the treasury stock and 44.94% of ZOSA's share capital post-capital reduction.

If the aforementioned thresholds are achieved: (i) the Offeror will exercise squeeze-out in respect of the remaining shareholders of ZOSA who have not accepted the Offer of all their shares, in exchange for a cash consideration per share that is equal to the Offer settlement price, adjusted downwards by the gross amount per share of any distributions (of dividends, reserves or share premium, or any other distribution) that have been paid to the shareholders between the settlement of the Offer and the date on which the squeeze-out transaction is settled (including if the ex-dividend date for said distribution is the same as or prior to the settlement of the squeeze-out transaction); and (ii) the shareholders of ZOSA who wish to do so will be able to exercise the sell-out of all their shares at the Offer settlement price, although in this case the downwards adjustment arising from any distributions made to the shareholders will take place between the settlement of the Offer and the respective dates on which the various sell-out transactions are settled (including if the ex-dividend date for said distribution is the same as or prior to the settlement of the sell-out transaction).

Given that, as explained in section 2.2.1 above, the dividend traditionally paid in April is expected to be delayed until the effective delisting through the exercise of the squeeze out right (if the relevant requirements are satisfied), the price of the squeeze out transactions will be the same as that of the Offer, i.e., 7.07 euros per share.

In accordance with the foregoing and taking into account the sell-out formalities established in sub-section 3.2.2 below of this prospectus, the shareholders of ZOSA must take into account the following considerations before deciding to exercise the sell-out right:

- (A) The requirements giving rise to the Offeror's right to exercise the squeeze-out of the shares of the remaining shareholders are the same as the legal requirements for the remaining shareholders of ZOSA to have the right to exercise sell-out.
- (B) The consideration to be received by the remaining shareholders will be the same whether the Offeror exercises squeeze-out or said shareholders exercise sell-out, since in both cases said shareholders will receive the price of the Offer in cash adjusted downwards as described above.
- (C) All the costs arising from the sale and purchase and settlement of the shares will be borne by the Offeror in the squeeze-out process, while said costs will be borne by the selling shareholders in the event of sell-out.

- (D) If in light of the date of receipt by the Offeror of any sell-out request in respect of ZOSA shares the settlement thereof would be subsequent to the date of the squeeze-out transaction, the request will be void and the shares will be included in the squeeze-out transaction.

### *3.2.2 Procedure for exercise of squeeze-out and sell-out rights*

As soon as possible and no later than three stock exchange trading days after the date of publication of the result of the Offer by the CNMV on its website, the Offeror will inform the CNMV, for purposes of public dissemination, whether the requirements for squeeze-out and sell-out transactions set forth in sub-section 3.2.1 of this prospectus have been fulfilled, describing where applicable the decision to redeem the treasury shares of ZOSA and immobilise them until the execution of said transaction.

OSH will gather all the information that is required to determine if any of the shares comprised in the Offer acceptances should be allocated to Otis in accordance with the rules under article 5 of Royal Decree 1066/2007 and if there has been any change in the voting rights allocated to Otis as indicated in section 1.6 of this prospectus. The announcement referred to in the preceding paragraph will disclose the number of voting rights allocated to Otis or, if applicable, the corresponding negative statement.

In the event of fulfilment of the aforementioned requirements, the Offeror will inform the CNMV no later than three months after the expiry of the acceptance period of its decision to exercise squeeze-out in respect of the shares, setting the transaction date between 15 and 20 stock exchange trading days after said communication to the CNMV, which the latter will make public.

No later than five business days after the date of the aforementioned publication by the CNMV, the Offeror will make publicly and generally available the features of the squeeze-out, by means similar to those used for the dissemination of the Offer, in accordance with the provisions of article 22 of Royal Decree 1066/2007.

If the requirements for the Offeror to exercise the squeeze-out right are fulfilled, the shareholders of ZOSA may avail themselves of their sell-out right.

Settlement will take place within the same period as the settlement of the Offer, counting from the date of the squeeze-out transaction or, where applicable, from the date of receipt of each sell-out request.

Acquisitions of shares subject to squeeze-out or sell-out will be brokered and settled by Banco Santander, S.A.

Prior to the date of the squeeze-out transaction, the Offeror will provide evidence to the CNMV that the appropriate guarantees have been created that secure compliance with the obligations arising from the exercise of the squeeze-out right.

In accordance with the provisions of article 136 of the Securities Market Law, if the shares of ZOSA that are subject to squeeze-out or sell-out are seized as a result of administrative actions or court rulings or are subject to any kind of charges, including encumbrances, limited in rem rights or financial guarantees, the aforementioned shares will be transferred free of said charges, which will encumber the consideration received. The depository of the shares will be obliged to hold the sale price on deposit, notifying the

judicial or administrative authority that has ordered the seizures or the holder of any other charges or rights of the application of this procedure. If following the application of the provisions of this paragraph any part of the price is not required to satisfy the obligations secured with to the seizure or seizures that have been obtained, or with the existing charges over the shares, it will immediately be made available to the holder thereof.

In accordance with the provisions of article 48 of Royal Decree 1066/2007, the execution of the squeeze-out transaction will result in the delisting of the shares of ZOSA from the Spanish Stock Exchanges. Said exclusion will be effective as from the settlement of the squeeze-out transaction.

### *3.2.3 Formalities to be complied with by the shareholders of ZOSA in order to exercise sell-out in respect of their shares*

Following notification by the Offeror of fulfilment of the requirements to exercise squeeze-out or sell-out and in any event not before the settlement of the Offer, the shareholders of ZOSA who wish to exercise sell-out in respect of their shares must contact the Iberclear participating entity with which they have deposited their shares. Said entities must send sell-out requests in writing to the Offeror through Banco Santander, S.A. The Iberclear participating entities with which the shares are deposited will be responsible, in accordance with their records, for the details of the ownership and holding of the securities to which the sell-out requests refer. All shareholders who request sell-out must include all of the ZOSA shares that they hold in their requests.

The Iberclear participating entities that are depositaries of the shares of ZOSA subject to sell-out requests are to send the Offeror, on a daily basis through Banco Santander, S.A., the data relating to the number of shares included in any sell-out requests filed by the shareholders of ZOSA.

Sell-out requests made by shareholders of ZOSA are to be accompanied by sufficient documentation to enable the transfer of the shares to take place and must include all identifying data required by the applicable law for this type of transaction.

### *3.2.4 Costs arising from squeeze-out or sell-out transactions*

In a squeeze-out transaction, the Offeror will bear all the costs arising from the sale and purchase and settlement of the shares, while said costs will be borne by the selling shareholders in sell-out transactions. In no case will the Offeror be obliged to assume the fees charged to shareholders for the administration or custody of securities by depositary and administrative entities.

## **CHAPTER 4**

Statements made by the Offeror in this chapter will be also understood as made by Otis.

### **4.1 Purpose of the Offer**

Otis intends to acquire through OSH all of the shares it does not currently own of ZOSA in order to delist ZOSA from the Spanish Stock Exchanges. In pursuing this transaction, Otis seeks to establish greater strategic and operational alignment between ZOSA and its existing global elevator and escalator business, to enhance the overall management of its global operations.

The reasons underpinning Otis' decision to launch the Offer and delist ZOSA are as follows:

- Acquisition of ZOSA's minority shares would reduce annual cash outflows due to dividend payments to minority investors thus allowing a more efficient management of the cash generated by ZOSA and the funding of projects of the Otis Group in Europe and other regions.
- ZOSA will no longer bear the costs inherent to being a listed company and the Otis Group will benefit from a simplified corporate structure eliminating the complexities of supervising a listed subsidiary.
- A more efficient governance structure and a streamlined decision-making structure resulting from a delisting will allow Otis and ZOSA's business operations to benefit from accelerated decision making.

Additionally, Otis believes that the Offer represents an attractive opportunity for ZOSA's minority shareholders to cash out on their investment, at a price that is justified in accordance with Deloitte's valuation report.

### **4.2 Strategic plans and intentions regarding future activities and location of ZOSA's places of activity**

Otis will continue ZOSA's current strategy. ZOSA is part of the Otis Group's EMEA Iberia & Africa market group and will evolve with the broader EMEA organization going forward.

Otis intends for the functional teams within EMEA (including ZOSA) such as communications, supply chain and IT, to be centralized, and systems and processes improved and harmonized across the broader Otis EMEA region.

Taking this into account, Otis intends to maintain the activities carried out by ZOSA and its group and the location of the places in which those activities are being carried out for the twelve months following the settlement of the Offer, without prejudice to any changes that might arise from the evolution of the business.

#### **4.3 Strategic plans and intentions regarding the preservation of employment positions and labour conditions for the employees and officers of ZOSA**

The Offeror believes that ZOSA's staff are one of its main assets and the management of its human resources is a fundamental priority for the Otis Group.

Otis does not plan to make significant changes to the employment conditions of ZOSA's employees and management and it intends to preserve the existing employment positions.

In accordance with the provisions of article 25 of Royal Decree 1066/2007, a copy of this prospectus will be sent to ZOSA's employee representatives or, in the absence thereof, to the employees themselves.

#### **4.4 Plans relating to the use or disposal of assets of ZOSA and planned changes to its net financial debt**

The Offeror intends to maintain the use of ZOSA's assets as it has been doing to date and does not intend to make changes to such use or dispose of any of ZOSA's material assets.

Otis intends to sell the portion of the land plots where ZOSA's factory in San Sebastian was located that are yet to be sold, although the sale is subject to changes on the urban development plans, which are estimated to be carried out over a period of six years.

Otis intends to maintain the current capital structure of ZOSA without net financial indebtedness.

#### **4.5 Plans relating to the issuance of securities of ZOSA**

The Offeror does not intend to promote the issuance of securities through ZOSA or its affiliates.

#### **4.6 Planned corporate restructurings of any kind**

The Offeror does not have any plans regarding corporate or business restructurings which could affect the entities of the ZOSA group or its business, such as mergers, divisions or structural changes or other corporate transactions, whether between companies of the ZOSA group, with companies of the Otis Group or with third parties, out of the ordinary policy of merging other companies operating in the elevator and escalator industries.

In particular, there are no plans to merge ZOSA with OSH nor any other company of the Otis Group, although it cannot be ruled out that OSH, ZOSA and its Spanish subsidiaries may tax consolidate in the future.

Additionally, there are no transactions resulting from the separation of UTC which is described in section 1.4 of the prospectus that is pending and that may affect ZOSA, the companies of its group or its shares.

#### **4.7 ZOSA dividend and shareholder remuneration policy**

ZOSA has a dividend policy and shareholder remuneration consisting of the payment of four dividends per financial year, coinciding with the publication of its quarterly financial information, with a pay-out close to 100% of the distributable results. The pay-out was reduced as a result of the COVID-19 pandemic but it has been gradually getting back to pre-pandemic levels.

ZOSA's current dividend and shareholder remuneration policy is aligned with the Otis Group's internal policy for its wholly-owned subsidiaries. In accordance with this policy, wholly-owned subsidiaries must, as a general rule, propose the payment of an annual dividend equal to 100% of the distributable profits of the previous year, subject to compliance with applicable legal requirements and taking into account accounting and tax considerations. Otis Group's internal policy does not provide for any guidance on the frequency of dividend payments.

Otis intends to maintain its subsidiary dividend policy and to replace ZOSA's quarterly dividend payment with a single annual dividend payment.

The decisions on the distribution of dividends and shareholder remuneration after the Offer will be based, as with the rest of the affiliates of the Otis Group, on the liquidity needs of ZOSA from time to time in order to carry out its activity and investments, as well as in the Otis Group's cash and debt service needs.

#### **4.8 Plans relating to the management, decision-making and supervisory bodies of ZOSA**

Given that more than half of the members of the board of directors of ZOSA have been appointed at the request of Otis, the current composition of the board of directors is expected to be maintained until the delisting is effective.

In particular, Otis does not intend to promote the filling of vacancies that may arise as a result of the resignation of Euro-Syns, S.A. or of any of the independent directors between the date of settlement of the Offer and the delisting of the shares of ZOSA.

Following the delisting of the ZOSA shares, Otis intends to reduce the size of the board of directors and eliminate the board committees in an effort to simplify the current governance structure and streamline decision-making. Otis will form a board of directors composed exclusively of proprietary directors appointed at the request of Otis, regardless of the stake achieved in ZOSA after the Offer and the number of shareholders of ZOSA other than Otis that continue to hold shares in the company after the delisting and their ownership.

As long as ZOSA continues being a listed company, Otis will procure that it continues to comply with applicable law in respect of the composition and operation of the board of directors and committees of listed companies established in the Spanish Companies Law, taking into consideration the good corporate governance recommendations for listed companies and in particular regarding the appointment of independent directors.

#### **4.9 Plans relating to ZOSA's articles of association**

The Offeror has undertaken under the agreement with Euro-Syns, S.A. to change its corporate name to remove or replace the term "ZARDOYA" as described in section 1.5.1 of the prospectus. Accordingly, the Offeror will amend the articles of association as necessary to reflect ZOSA's new corporate name.

Other than that, the Offeror will not amend the articles of association and other internal rules of ZOSA before the ZOSA shares are delisted from the Spanish Stock Exchanges.

Following delisting, the Offeror will amend the bylaws as it deems necessary or appropriate to adjust them to ZOSA's status as a private company. In particular, the Offeror will propose to carry out the necessary amendments to reflect the changes to the corporate governance and, in particular, the required changes to the board and the elimination of the board committees.

#### **4.10 Intentions with respect to the listing of shares of ZOSA and the exercise of the squeeze-out right**

The Offeror will exercise the squeeze-out right if the thresholds established for such purpose in article 47 of Royal Decree 1066/2007 are reached (see sub-section 3.2.1 of the prospectus), which would result in the delisting of the shares of ZOSA.

If said requirements are not met but Otis achieves at least 75% of ZOSA's issued capital on the settlement date, Otis will promote the delisting the shares pursuant to the exception to a delisting offer established in article 11.d) of Royal Decree 1066/2007.

In this case and in accordance with the provisions of 11.d) of Royal Decree 1066/2007, once the Offer has been settled, Otis will procure that a general shareholders' meeting of ZOSA be held in order to resolve to delist its shares and it will launch an ongoing purchase order for all outstanding shares for a minimum period of one month to facilitate the sale of the shares of ZOSA.

The shares of ZOSA will be delisted as soon as possible following approval of the delisting by the shareholders at the general shareholders' meeting of ZOSA and the mandatory authorization issued by CNMV, in any event, within a maximum period of six months as from the settlement of the Offer.

The price of the aforementioned ongoing purchase order will be equal to the price of the Offer, adjusted downwards where applicable by the gross amount per share corresponding to any distribution made to the shareholders of ZOSA between the settlement of the Offer and the date on which each order is executed.

Given that, as explained in section 2.2.1 above, the dividend traditionally paid in April and, if applicable, the July dividend are expected to be delayed until the delisting through the procedure permitted under article 11.d) of Royal Decree 1066/2007 (if Otis reaches the required shareholding), the price of the ongoing purchase order will be the same as that of the Offer, i.e., 7.07 euros per share.

The valuation report issued by Deloitte providing a rationale for the price of the Offer in accordance with the provisions of articles 10.5 and 10.6 of Royal Decree 1066/2007, for purposes of article 11.d) of Royal Decree 1066/2007 and of article 137.2 of the Securities Market Law, is described in sub-section 2.2.1 of this prospectus and is attached hereto as Annex 17.

The aforementioned 75% ownership condition will be deemed to have been satisfied if at least 117,434,503 shares, representing 24.96% of ZOSA's capital, other than those held by Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo are tendered (i.e., 64,806,469 shares representing 13.78% of the capital in addition to the 52,628,034 shares representing 11.19% of the capital which are held by Euro-Syns, S.A. and that are subject to a commitment to accept the Offer). This number

of shares, together with the 235,413,731 voting rights held by ZOSA (50.04% of total), represent 75% of ZOSA's capital.

In the event that ZOSA does not tender the shares held in treasury (533,655 shares representing 0.11% of the capital) and that the shares are held in treasury on the settlement date of the Offer, Otis undertakes to promote that ZOSA resolves at the shareholders' meeting to be called to resolve on the delisting to cancel the treasury stock, thus reducing ZOSA's share capital. In this scenario, the 75% ownership condition shall be deemed to have been satisfied if at least 117,034,261 shares representing 24.90% of ZOSA's capital post-capital reduction other than shares held by Mr. Bernardo Calleja Fernández and Mr. Joao Miguel Marques Penedo are tendered in acceptance of the Offer (i.e., 64,406,227 shares representing 13.71% of the capital in addition to the 52,628,034 shares representing 11.20% of the capital post-capital reduction which are held by Euro-Syns, S.A.). This number of shares, together with the 245,413,731 shares of ZOSA (50.10% of the capital post-capital reduction) held by Otis represent 75% of ZOSA's capital post-capital reduction. For any other number of treasury shares, and as long as they are cancelled, the calculations will be revised to confirm that the 75% ownership condition has been satisfied.

In the event that Otis does not reach 75% of the capital of ZOSA 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.

#### **4.11 Intentions regarding the transfer of securities of ZOSA**

Otis states that the Offer is not part of an overall plan to divest ZOSA's business, whether through corporate transactions such as mergers, divisions or any other transactions with third parties, or the direct selling of ZOSA's shares to a third party or through the disposal of a company or business unit that includes ZOSA's business.

The Offer and the subsequent delisting of ZOSA were not planned as part of the overall separation of UTC that has been described in section 1.4 of the prospectus and there are no agreements of any kind with UTC that require Otis to increase its ownership stake in ZOSA or to delist ZOSA's shares.

Otis has no plans to transfer its existing shares of ZOSA nor those acquired in the context of the Offer, nor has it intentions to transfer any assets of ZOSA or assets and stakes in entities of its group, nor entities of the Otis Group of which ZOSA is a subsidiary, and there is no agreement, negotiation or undertaking with third parties in this regard.

#### **4.12 Information included in this chapter relating to OSH and the Otis Group**

The impact of the Offer on the Otis Group's equity and net financial indebtedness is disclosed in section 4.13 below.

With respect to the information required in this chapter relating to OSH and the Otis Group, neither the Offeror nor any company of the Otis Group expect to be affected by the Offer (except for the information

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set forth under the previous sections contained in this chapter in relation to ZOSA). In particular, they do not anticipate that the Offer will result in (i) any significant change in the structure, composition and functioning of its management bodies, its articles of association or its constitutional documents; (ii) any significant change in its organization, strategy or activity; (iii) any reduction in its planned investments; (iv) any change in its personnel policy or its centres of activity; (v) any change in its dividend policy; and (vi) any corporate restructuring affecting ZOSA.

#### **4.13 impact of the Offer and its financing on the key financial figures of the Otis Group**

ZOSA is consolidated into Otis' financial statements in accordance with US GAAP. The pro-forma impact of the Offer and related financing on the key financial figures of Otis after settlement of the Offer, assuming Otis owns 100% of ZOSA shares upon completion of the Offer and using the sources of funding set out in section 2.5.2 of the prospectus, is shown in the table below:

	<b>As of and for the financial year ended December 31, 2021</b>		
	<b>Otis (consolidated) Pre-Offer<sup>(1)</sup></b>	<b>Impact of the offer</b>	<b>Otis (consolidated) Post-Offer</b>
	<i>(in millions of euros)<sup>(2)</sup></i>		
Revenue .....	12,056	-	12,056
Net income attributable to common shareholders <sup>(3)</sup>	1,051	59	1,110
Equity attributable to common shareholders <sup>(4)</sup> .....	(2,785)	(1,619)	(4,403)
Total assets .....	10,876	(1,678)	9,197
Net financial debt <sup>(4)(5)</sup> .....	5,055	15	5,070

**Notes:**

- (1) The financial metrics have been extracted from Otis' audited financial statements for the financial year 2021 prepared in accordance with the US GAAP. The financial metrics have been translated to euros utilizing the corresponding exchange rates sourced from Reuters. The amounts in euros have not been audited.
- (2) Assuming an exchange rate of 1.186 for the income statement and 1.129 for the balance sheet.
- (3) The net income attributable to Otis' common shareholders increases in the amount of ZOSA's net income attributable to minority interests and decreases in the amount of the financial expenses related to the financing of the Offer.
- (4) Consolidated net equity decreases due to the tender purchase price and the transaction costs and expenses, and increases in the amount reflected in the line item corresponding to the net income attributable to Otis' common shareholders (i.e., 59 million euros).
- (5) Includes the long-term and short-term debt obligations of Otis, including the impact of finance/capital leases minus cash and cash equivalents. The calculation of the net financial debt under US GAAP does not include the restricted cash balance, which amounted to 1,692 million US dollars as of December 31, 2021 and comprised mainly the amount of the cash deposits made by OSH. As a result, consolidated net financial debt only increases as a result of the cash outflows related to payment of transaction costs and expenses.

## **CHAPTER 5**

### **5.1 Antitrust approvals**

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.

The Offeror understands that it is not necessary to obtain any other authorization from any other competition authority.

### **5.2 Other administrative 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.

The Offeror understands that neither the Offer nor the increase in the ownership of ZOSA as a result of the Offer are subject to any authorization or non-opposition, nor required from any Spanish or foreign administrative authority

### **5.3 Places where this prospectus and its accompanying documents may be consulted**

In accordance with the provisions of article 22.3 of Royal Decree 1066/2007, this prospectus and its accompanying documentation will be made available to interested parties at least from the day following

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publication of the first of the announcements provided for in article 22.1 of Royal Decree 1066/2007, in the following places:

Entity	Address
<b>National Securities Market Commission (<i>Comisión Nacional del Mercado de Valores</i>)</b>	
– CNMV Madrid	Calle Edison 4, Madrid
– CNMV Barcelona	Calle Bolivia 56, Barcelona
– CNMV Bilbao	Calle Heros 3, Bilbao
<b>Governing Bodies of the Stock Exchanges (<i>Sociedades Rectoras de las Bolsas de Valores</i>)</b>	
– Governing Body of the Madrid Stock Exchange	Plaza de la Lealtad 1, Madrid
– Governing Body of the Barcelona Stock Exchange	Paseo de Gracia 19, Barcelona
– Governing Body of the Bilbao Stock Exchange	Calle José María Olabarri, Bilbao
– Governing Body of the Valencia Stock Exchange	Calle del Pintor Sorolla 23, Valencia
<b>Offeror and ZOSA</b>	
– Offeror	Suero de Quiñones 34-36, Madrid
– ZOSA	Golfo de Salónica, 73, Madrid

The prospectus and its annexes will also be made available, as from the day following publication of the first of the announcements of the Offer referred to in article 22.1 of Royal Decree 1066/2007, on the CNMV website ([www.cnmv.es](http://www.cnmv.es)), in the ZOSA website (<https://www.otis.com/es/es/accionistas-inversores>), as well as in the web page set up for this purposes by the Offeror ([www.OPAZardoyaOtis.com](http://www.OPAZardoyaOtis.com)).

#### **5.4 Territorial restriction**

The Offer is made exclusively in the Spanish market and is addressed to all the shareholders of ZOSA as stated in this prospectus. This prospectus and the text hereof do not constitute an extension of the Offer to any jurisdiction where the making of the Offer might require the distribution or registration of documentation in addition to the prospectus.

**In particular, the Offer is not directly or indirectly made in the United States of America, whether by mail or by any other interstate or foreign means or instrument (including but not limited to facsimile, telephone or internet) or by means of the securities exchanges of the United States of America. Therefore, this prospectus will not be published, sent to or distributed in any jurisdiction or territory where its publication might be prohibited or restricted by law or where the registration or deposit of additional documentation is required, and the persons in receipt of this request for authorisation or the prospectus may not publish or distribute them in said jurisdictions or territories.**

**Those shareholders of ZOSA who are resident outside of Spain and decide to accept the Offer are informed that they may be subject to legal and regulatory restrictions other than those established under Spanish law. In this regard, those shareholders who are resident abroad and decide to**

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**accept the Offer shall be solely responsible for complying with said rules, and hence for the verification, applicability and implications thereof.**

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This prospectus for the voluntary public Offer to acquire the shares of Zardoya Otis, S.A. is signed in Madrid, on February 22, 2022.

**Opal Spanish Holdings, S.A., as Offeror**  
By

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Mr Miguel Liria Plañol