Unaudited Interim Condensed Consolidated Financial Statements

For the three and twelve-month periods ended December 31, 2019

February 25, 2020

Unaudited interim condensed consolidated statements of income for the three and twelve-month periods ended December 31, 2019

$ millions	Notes	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018 (i)	Three months ended December 31, 2019	Three months ended December 31, 2018 (i)
Revenue	5	4,336	3,946	1,150	980
Cost of sales		(1,201)	(1,117)	(311)	(277)
Gross profit		**3,135**	**2,829**	**839**	**703**
Operating expenses	2	(1,604)	(1,616)	(415)	(447)
Depreciation	2	(825)	(662)	(213)	(164)
Amortization		(275)	(140)	(84)	(40)
Share of profit in the joint ventures in Guatemala and Honduras	14	179	154	42	45
Other operating income (expenses), net		(34)	75	(41)	10
Operating profit	**5**	**575**	**640**	**129**	**107**
Interest and other financial expenses	2, 10	(564)	(367)	(157)	(98)
Interest and other financial income		20	21	5	7
Other non-operating (expenses) income, net	6	227	(39)	309	(46)
Profit (loss) from other joint ventures and associates, net		(40)	(136)	(9)	(35)
Profit (loss) before taxes from continuing operations		**218**	**119**	**277**	(65)
Charge for taxes, net		(120)	(112)	(31)	(45)
Profit (loss) for the year from continuing operations		97	7	246	(111)
Profit (loss) from discontinued operations, net of tax	4	57	(33)	(3)	(1)
Net profit (loss) for the year		**154**	**(26)**	**242**	**(111)**
Attributable to:					
The owners of Millicom		149	(10)	223	(94)
Non-controlling interests		5	(16)	20	(17)
Earnings per common share for net profit attributable to the owners of the Company:					
Basic ($)	7	1.48	(0.10)	2.20	(0.94)
Diluted ($)	7	1.48	(0.10)	2.20	(0.94)

(i) Re-presented for discontinued operations (see note 4). Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2).

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statements of comprehensive income for the three and twelve-month periods ended December 31, 2019

$ millions	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018 (i)	Three months ended December 31, 2019	Three months ended December 31, 2018 (i)
Net profit for the period	154	(26)	242	(111)
Other comprehensive income (to be reclassified to statement of income in subsequent periods), net of tax:				
Exchange differences on translating foreign operations	(4)	(81)	32	(62)
Change in value of cash flow hedges, net of tax effects	(16)	(1)	2	(1)
Other comprehensive income (not to be reclassified to statement of income in subsequent periods), net of tax:				
Remeasurements of post-employment benefit obligations, net of tax effects	—	—	—	—
Total comprehensive income (loss) for the year	**133**	**(108)**	**276**	**(172)**
Attributable to				
Owners of the Company	131	(78)	274	(140)
Non-controlling interests	3	(30)	3	(32)
Total comprehensive income for the period arises from:				
Continuing operations	76	(102)	279	(172)
Discontinued operations	57	(7)	(3)	—

(i) Re-presented for discontinued operations (note 4). Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2).

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Unaudited interim condensed consolidated statement of financial position as at December 31, 2019

$ millions	Notes	December 31, 2019	December 31, 2018 (i) (ii)
ASSETS			
NON-CURRENT ASSETS			
Intangible assets, net	9	3,219	2,346
Property, plant and equipment, net	8	2,883	3,071
Right of use assets	2	977	—
Investments in joint ventures	14	2,797	2,867
Investments in associates	15	25	169
Contract costs, net		5	4
Deferred tax assets		200	202
Other non-current assets	12	104	126
TOTAL NON-CURRENT ASSETS		**10,210**	**8,785**
CURRENT ASSETS			
Inventories		32	39
Trade receivables, net		371	343
Contract assets, net		41	37
Amounts due from non-controlling interests, associates and joint ventures	12	29	34
Prepayments and accrued income		156	129
Current income tax assets		119	108
Supplier advances for capital expenditure		22	25
Equity investments	15	371	—
Other current assets		181	124
Restricted cash		155	158
Cash and cash equivalents		1,164	528
TOTAL CURRENT ASSETS		**2,641**	**1,525**
Assets held for sale	4	5	3
TOTAL ASSETS		**12,856**	**10,313**

(i) Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2)

(ii) Restated after finalization of the Cable Onda purchase accounting see note 3.

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statement of financial position as at December 31, 2019 (continued)

$ millions	Notes	December 31, 2019	December 31, 2018 (i) (ii)
EQUITY AND LIABILITIES			
EQUITY			
Share capital and premium		633	635
Treasury shares		(51)	(81)
Other reserves		(544)	(538)
Retained profits		2,222	2,535
Profit (loss) for the year attributable to equity holders		149	(10)
Equity attributable to owners of the Company		**2,410**	**2,542**
Non-controlling interests		271	251
TOTAL EQUITY		**2,680**	**2,792**
LIABILITIES			
NON-CURRENT LIABILITIES			
Debt and financing	10	5,786	4,123
Lease liabilities	2	967	—
Derivative financial instruments	13	17	—
Amounts due to non-controlling interests, associates and joint ventures	12	337	135
Provisions and other non-current liabilities		383	351
Deferred tax liabilities		279	236
TOTAL NON-CURRENT LIABILITIES		**7,770**	**4,845**
CURRENT LIABILITIES			
Debt and financing	10	186	458
Lease liabilities	2	97	—
Put option liability	3	264	239
Derivative financial instruments		—	—
Payables and accruals for capital expenditure		348	335
Other trade payables		289	282
Amounts due to non-controlling interests, associates and joint ventures	12	161	348
Accrued interest and other expenses		432	381
Current income tax liabilities		75	55
Contract liabilities		82	87
Provisions and other current liabilities		474	492
TOTAL CURRENT LIABILITIES		**2,406**	**2,676**
TOTAL LIABILITIES		**10,176**	**7,521**
TOTAL EQUITY AND LIABILITIES		**12,856**	**10,313**

(i) Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2)

(ii) The consolidated statement of financial position at December 31, 2018 has been restated after finalization of the Cable Onda purchase accounting (see note 3).

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statement of cash flows for the twelve-month period ended December 31, 2019

$ millions	Notes	December 31, 2019	December 31, 2018 (i)
Cash flows from operating activities (including discontinued operations)			
Profit before taxes from continuing operations		218	119
Profit (loss) before taxes from discontinued operations	4	59	(29)
Profit before taxes		**276**	**91**
Adjustments to reconcile to net cash:			
(Finance) Lease interest expense		157	91
Financial interest expense		408	282
Interest and other financial income		(20)	(21)
Adjustments for non-cash items:			
Depreciation and amortization	5	1,111	830
Share of profit in Guatemala and Honduras joint ventures		(179)	(154)
(Gain) on disposal and impairment of assets, net	4	(40)	(37)
Share based compensation		30	22
Transaction costs assumed by Cable Onda	3	—	30
Loss from other joint ventures and associates,net		40	136
Other non-cash non-operating (income) expenses, net		(227)	40
Changes in working capital:			
Decrease (increase) in trade receivables, prepayments and other current assets,net		(119)	(128)
Decrease in inventories		11	2
Increase (decrease) in trade and other payables, net		(61)	69
Changes in contract assets, liabilities and costs, net		(2)	(9)
Total changes in working capital		**(172)**	**(66)**
Interest paid on (finance) leases		(141)	(89)
Interest paid on debt and other financing		(344)	(229)
Interest received		15	20
Taxes (paid)	5	(114)	(153)
Net cash provided by operating activities		**801**	**792**
Cash flows from (used in) investing activities (including discontinued operations):			
Acquisition of subsidiaries, joint ventures and associates, net of cash acquired	3	(1,014)	(953)
Proceeds from disposal of subsidiaries and associates, net of cash disposed	4	111	176
Purchase of intangible assets and licenses	9	(171)	(148)
Proceeds from sale of intangible assets		—	—
Purchase of property, plant and equipment	8	(736)	(632)
Proceeds from sale of property, plant and equipment	8	24	154
Proceeds from disposal of equity investment, net of costs		25	—
Dividends received from joint ventures	14	237	243
Settlement of financial derivative instruments	13	—	(63)
Cash (used in) provided by other investing activities, net		20	24

Net cash used in investing activities		**(1,502)**	**(1,199)**
Cash flows from financing activities (including discontinued operations):			
Proceeds from debt and other financing	10	2,900	1,155
Repayment of debt and other financing	10	(1,157)	(530)
(Finance) Lease capital repayment		(107)	(17)
Advances for, and dividends paid to non-controlling interests		(13)	(2)
Dividends paid to owners of the Company		(268)	(266)
Net cash provided by (used in) financing activities		**1,355**	**341**
Exchange impact on cash and cash equivalents,net		(8)	(33)
Net (decrease) increase in cash and cash equivalents		**645**	**(98)**
Cash and cash equivalents at the beginning of the year		528	619
Effect of cash in disposal group held for sale	4	(9)	6
Cash and cash equivalents at the end of the year		**1,164**	**528**

(i) Re-presented for discontinued operations (note 4). Not restated for the application of IFRS 16 as the Group elected the modified retrospective approach (see note 2).

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Unaudited interim condensed consolidated statements of changes in equity for the periods ended December 31, 2019 and 2018

$ millions	Number of shares (000's)	Number of shares held by the Group (000's)	Share capital	Share premium	Treasury shares	Retained profits(i)	Other reserves	Total	Non-controlling interests	Total equity
Balance on December 31, 2017	**101,739**	**(1,195)**	**153**	**484**	**(106)**	**3,035**	**(472)**	**3,096**	**185**	**3,281**
Adjustment on adoption of IFRS 15 and IFRS 9 (net of tax) (vi)	—	—	—	—	—	10	—	10	(4)	6
Total comprehensive income for the year..	—	—	—	—	—	(10)	(68)	(78)	(30)	(108)
Dividends (ii)....................................	—	—	—	—	—	(266)	—	(266)	—	(266)
Dividends to non controlling interest...	—	—	—	—	—	—	—	—	(13)	(13)
Purchase of treasury shares..........	—	(70)	—	—	(6)	—	—	(6)	—	(6)
Share based compensation..........	—	—	—	—	—	—	22	22	—	22
Issuance of shares under share-based payment schemes	—	351	—	(2)	31	(5)	(22)	2	—	2
Effect of acquisition of Cable Onda (iv).......................................	—	—	—	—	—	—	—	—	113	113
Put option reserve	—	—	—	—	—	(239)	—	(239)	—	(239)
Balance on December 31, 2018	**101,739**	**(914)**	**153**	**482**	**(81)**	**2,525**	**(538)**	**2,542**	**251**	**2,792**
Total comprehensive income for the year...	—	—	—	—	—	149	(19)	131	3	133
Dividends (iii)....................................	—	—	—	—	—	(267)	—	(267)	—	(267)
Dividends to non controlling interest...	—	—	—	—	—	—	—	—	(1)	(1)
Purchase of treasury shares..........	—	(132)	—	—	(12)	4	—	(8)	—	(8)
Share based compensation..........	—	—	—	—	—	—	29	29	1	30
Issuance of shares under share-based payment schemes	—	465	—	(2)	41	(12)	(25)	1	—	1
Effect of restructuring in Tanzania(v)	—	—	—	—	—	(27)	9	(18)	18	—
Balance on December 31, 2019	**101,739**	**(581)**	**153**	**480**	**(51)**	**2,372**	**(544)**	**2,409**	**271**	**2,680**

(i) *Retained profits – includes profit for the year attributable to equity holders, of which $306 million (2018: $324 million; 2017: $345 million) are not distributable to equity holders.*

(ii) *Dividends — A dividend distribution of $2.64 per share was approved by the Annual General Meeting of shareholders and paid in equal portions in May 2018 and November 2018.*

(iii) *Dividends - A dividend distribution of $2.64 per share was approved by the Annual General Meeting of shareholders on May 2, 2019 and paid in equal portions in May and November 2019.*

(iv) *Effect of the acquisition of Cable Onda S.A.. See note 3. for further details. The consolidated statement of changes in equity at December 31, 2018 has been restated after finalization of the Cable Onda purchase accounting.*

(v) *Effect of the restructuring in Tanzania. See note 3.*

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Notes to the unaudited interim condensed consolidated statements

1. ORGANIZATION

Millicom International Cellular S.A. (the "Company" or "MIC SA"), a Luxembourg Société Anonyme, and its subsidiaries, joint ventures and associates (the "Group" or "Millicom") is an international telecommunications and media company providing digital lifestyle services in emerging markets, through mobile and fixed telephony, cable, broadband, and Pay-TV in Latin America and Africa.

On November 14, 2019, Millicom's historical principal shareholder, Kinnevik AB, distributed its entire (approximately 37% of Millicom's outstanding shares) shareholding in Millicom to its own shareholders through a share redemption plan. Since that date, Kinnevik is no longer a related party or shareholder in Millicom.

On February 24, 2020, the Board of Directors authorized these unaudited interim condensed consolidated financial statements for issuance.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES

These interim condensed consolidated financial statements of the Group are unaudited. They are presented in US dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board and as adopted by the European Union. In the opinion of management, these unaudited interim condensed consolidated financial statements reflect all adjustments that are necessary for a proper presentation of the results for interim periods. Millicom's operations are not affected by significant seasonal or cyclical patterns.

These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2018. These financial statements are prepared in accordance with consolidation and accounting policies consistent with the 2018 consolidated financial statements, except for the changes described below.

New and amended IFRS standards

The following changes to standards effective for annual periods starting on January 1, 2019 have been adopted by the Group:

- IFRS 16 "Leases". The Group had to change its accounting policies as a result of adopting IFRS 16 Leases.

On adoption, on January 1, 2019, an additional lease liability of $545 million was recognized. The application of the new standard decreased operating expenses by $41 million and $149 million, respectively, as compared to what our results would have been if we had continued to follow IAS 17 for the three and twelve months ended December 31, 2019. The impact of the adoption of the leasing standard and the new accounting policies are further explained below. The application of this standard also affects the Group's depreciation, operating and financial expenses, debt and other financing and leverage ratios. The change in presentation of operating lease expenses results in a corresponding increase in cash flows derived from operating activities and a decline in cash flows from financing activities.

- The following new or amended standards became applicable for the current reporting period and did not have any significant impact on the Group's accounting policies or disclosures and did not require retrospective adjustments.
    - Amendments to IFRS 9 "Financial instruments" on prepayment features with negative compensation.
    - IFRIC 23 "Uncertainty over Income Tax Treatments" clarifies how the recognition and measurement requirements of IAS 12 Income taxes, are applied where there is uncertainty over income tax treatments.
    - Amendments to IAS 19 "Employee benefits" on plan amendment, curtailment or settlement.
    - Amendments to IAS 28 "Investments in associates" on long term interests in associates and joint ventures.
    - Annual improvements 2015-2017.

The following changes to standards, which are not expected to materially affect the Group, will be effective from January 1, 2020:

- Amendments to the conceptual framework. The IASB has revised its conceptual framework. The Group does not expect these amendments to have a material impact on the consolidated financial statements.
- Amendments to IFRS 3 - definition of a business. This amendment revises the definition of a business. The Group does not expect these amendments to have a material impact on the consolidated financial statements. These amendments have not yet been endorsed by the EU.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (CONTINUED)

- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Rate Benchmark Reform. The Group is currently assessing the impact of these amendments on the consolidated financial statements.
- Amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors'. The Group does not expect these amendments to have a material impact on the consolidated financial statements.
- IFRS 17, 'Insurance contracts'. IFRS 17 will not have an impact for the Group. IFRS 17 has not been yet endorsed by the EU.

Changes in accounting policies

This note explains the impact of the adoption of IFRS 16 "Leases" on the Group's financial statements and discloses the new accounting policies that have been applied from January 1, 2019.

The Group adopted the standard using the modified retrospective approach with the cumulative effect of applying the new Standard recognized in retained profits as of January 1, 2019. Comparatives for the 2018 financial statements were not restated.

a) Adjustments recognized on adoption of IFRS 16

On adoption of IFRS 16, the Group recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The right-of-use asset was measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the leases recognized in the statement of financial position immediately before the date of initial application. The weighted average incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 12.6%. Each lease commitment was individually discounted using a specific incremental borrowing rate, following a build-up approach including: risk-free rates, industry risk, country risk, credit risk at cash generating unit level, currency risk and commitment's maturity.

For leases previously classified as finance leases Millicom recognized the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are only applied after that date.

$ millions	**2019**
Operating lease commitments disclosed as at December 31, 2018	**801**
(Plus): Non lease components obligations	57
(Less): Short term leases recognized on a straight line basis as an expense	(3)
(Less): Low value leases recognized on a straight line basis as an expense	(2)
(Less): Contract included in the lease commitments but with starting date in 2019 and not part of the IFRS 16 opening balances	(17)
(Plus/Less): Other	(9)
Gross lease liabilities	**828**
Discounted using the lessee's incremental borrowing rate at the date of the initial application	(283)
Incremental lease liabilities recognized at January 1, 2019	**545**
(Plus): Finance lease liabilities recognized at December 31, 2018	353
Lease liabilities recognized at January 1, 2019	**898**
Of which are:	
Current lease liabilities	86
Non-current lease liabilities	812

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (CONTINUED)

The application of IFRS 16 affected the following items in the statement of financial position on January 1, 2019:

FINANCIAL POSITION $ millions	As at January 1, 2019 before application	Effect of adoption of IFRS 16	As at January 1, 2019 after application	Reason for the change
ASSETS				
Property, plant and equipment, net	3,071	(307)	2,764	(i)
Right-of-use asset (non-current) NEW	—	856	856	(ii)
Prepayments	129	(6)	123	(iii)
LIABILITIES				
Lease liabilities (non-current) NEW	—	812	812	(iv)
Debt and other financing (non-current)	4,123	(337)	3,786	(v)
Lease liabilities (current) NEW	—	86	86	(iv)
Debt and other financing (current)	458	(16)	442	(v)
Other current liabilities	492	(2)	490	(vi)

(i) Transfer of previously capitalized assets under finance leases to Right-of-Use assets.

(ii) Initial recognition of Right-of-Use assets, transfer of previously recognized finance leases and of lease prepayments to the Right-of-Use asset cost at transition.

(iii) Transfer of lease prepayments to the Right-of-Use asset cost at transition.

(iv) Initial recognition of lease liabilities and transfer of previously recognized finance lease liabilities.

(v) Transfer of previously recognized finance lease liabilities to new Lease liabilities accounts.

(vi) Reclassification of provisions for onerous contracts to Right-of-Use assets.

The application of IFRS 16 also impacts classifications within the statement of cash flows, segment information and EPS for the period starting from January 1, 2019. Its application had no significant impact on the Group's retained profits.

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made when applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

b) Policies applied to lease accounting from January 1, 2019 are as follows:

The Group leases various lands, sites, towers (including those related to towers sold and leased back), offices, warehouses, retail stores, equipment and cars. Rental contracts are typically made for fixed periods but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (CONTINUED)

Until December 31, 2018, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to the statement of income on a straight-line basis over the period of the lease.

From January 1, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The incremental borrowing rate applied can have a significant impact on the net present value of the lease liability recognized under IFRS 16.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the statement of income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

Furthermore, the Group has taken the additional following decisions in adopting the standard:

- Non-lease components are capitalized (IFRS16.15)
- Intangible assets are out of IFRS 16 scope (IFRS16.4)

According to IFRS 16, lease term is defined as the non-cancellable period for which a lessee has the right to use an underlying asset, together with both: (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate if the lessee is reasonably certain not to exercise that option. The assessment of such options is performed at the commencement of a lease. As part of the assessment, Millicom introduced the 'time horizon concept': the reasonable term under which the company expects to use a leased asset considering economic incentives, management decisions, business plans and the fast-paced industry Millicom operates in. The assessment must be focused on the economic incentives for Millicom to exercise (or not) an option to early terminate/extend a contract. The Group has decided to work on the basis the lessor will generally accept a renewal/not early terminate a contract, as there is an economic incentive to maintain the contractual relationship.

2. SUMMARY OF CONSOLIDATION AND ACCOUNTING POLICIES (CONTINUED)

Millicom considered the specialized nature of most of its assets under lease, the low likelihood the lessor can find a third party to substitute Millicom as a lessee and past practice to conclude that the lease term can go beyond the notice period when there is more than an insignificant penalty for the lessor not to renew the lease. This analysis requires judgment and has a significant impact on the lease liability recognized under IFRS 16.

Under IFRS 16, the accounting of sale and leaseback transactions has changed as the underlying sale transaction needs to be first analyzed using the guidance of IFRS 15. The seller/lessee recognizes a right-of-use asset in the amount of the proportional original carrying amount that relates to the right of use retained. Accordingly, only the proportional amount of gain or loss from the sale must be recognized. The impact from sale and leaseback transactions was not material for Millicom Group as of the date of initial application.

3. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER NON-CONTROLLING INTERESTS

Acquisitions 2019

On February 20, 2019, MIC S.A., Telefonica Centroamerica and Telefonica S.A. entered into 3 separate share purchase agreements (the "Telefonica CAM Acquisitions") pursuant to which, subject to the terms and conditions contained therein, Millicom agreed to purchase 100% of the shares of Telefonica Moviles Panama, S.A., a company incorporated under the laws of Panama, from Telefonica Centroamerica (the "Panama Acquisition"), 100% of the shares of Telefonica de Costa Rica TC, S.A., a company incorporated under the laws of Costa Rica, from Telefonica (the "Costa Rica Acquisition") and 100% of the shares of Telefonia Celular de Nicaragua, S.A., a company incorporated under the laws of Nicaragua, from Telefonica Centroamerica (the "Nicaragua Acquisition"). The Telefonica CAM Acquisitions Share Purchase Agreements contain customary representations and warranties and termination provisions. The Costa Rica Acquisition is still subject to regulatory approvals and is expected to close in H1 2020.

Acquisition related costs for Nicaragua and Panama acquisitions included in the statement of income under operating expenses were approximately $16 million for the year.

The aggregate purchase price for the Telefonica CAM Acquisitions is $1.65 billion, subject to potential purchase price adjustments.

Nicaragua Acquisition

This transaction closed on May 16, 2019 after receipt of the necessary approvals and, since that date, Millicom holds all voting rights into Telefonia Celular de Nicaragua ("Nicaragua") and controls it. On the same day, Millicom paid an original cash consideration of $437 million, provisionally adjusted to $430 million as of December 31, 2019 and still subject to final price adjustment expected in Q1 2020. The purchase consideration also includes potential indemnifications from the sellers (including tax and litigation contingencies). For the purchase accounting, Millicom determined the provisional fair values of Nicaragua's identifiable assets and liabilities based on transaction and relative fair values. The purchase accounting is still provisional at December 31, 2019, particularly in respect of final price adjustment. Management expects to finalize the purchase accounting in Q1 2020.

The provisional purchase accounting as at December 31, 2019 is as follows:

	Provisional Fair values (100%) (US$ millions)
Intangible assets (excluding goodwill) (i)	131
Property, plant and equipment (ii)	149
Right of use assets (iii)	131
Other non-current assets	2
Current assets (excluding cash) (iv)	23
Trade receivables (v)	17
Cash and cash equivalents	7
Total assets acquired	**459**
Lease liabilities (iii)	131
Other liabilities (vi)	118
Total liabilities assumed	**249**
Fair value of assets acquired and liabilities assumed, net	**210**
Acquisition price	430
Provisional Goodwill	**220**

(i) Intangible assets not previously recognized at the date of acquisition, are mainly customer lists for an amount of $81 million, with estimated useful lives ranging from 4 to 10 years. In addition, a fair value step-up of $39 million on the spectrum held by Nicaragua has been recognized, with a remaining useful life of 14 years.

(ii) A fair value step-up of $39 million has been recognized on property, plant and equipment, mainly on the core network ($25 million) and owned buildings ($8 million). The expected remaining useful lives were estimated at 6-7 years on average.

3. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER NON-CONTROLLING INTERESTS (Continued)

(iii) The Group measured the lease liability at the present value of the remaining lease payments (as defined in IFRS 16) as if the acquired lease were a new lease at the acquisition date. The right-of-use assets have been adjusted by $7 million to be measured at the same amount as the lease liabilities.

(iv) Current assets include indemnification assets for tax contingencies at fair value for an amount of $11 million - see (v) below.

(v) The fair value of trade receivables acquired was $17 million.

(vi) Other liabilities include the fair value of certain possible tax contingent liabilities for $1 million and a deferred tax liability of $50 million resulting from the above adjustments

The goodwill is currently not expected to be tax deductible, and is attributable to expected synergies and convergence with our legacy fixed business in the country, as well as to the fair value of the assembled work force. For convenience purposes, the acquisition date was set on May 1, 2019 as there were no material transactions from this date to May 16, 2019. From May 1, 2019 to December 31, 2019, Nicaragua contributed $144 million of revenue and a net profit of $5 million to the Group. If the acquisition had occurred on January 1, 2019 incremental revenue for the year ended December 31, 2019 for the Group would have been $219 million and incremental net loss for that period would have been $16 million, including amortization of assets not previously recognized of $12 million (net of tax).

Panama Acquisition

This transaction closed on August 29, 2019 after receipt of the necessary approvals and, since that date, Cable Onda, which is 80% owned by Millicom, holds all voting rights in Telefonica Moviles Panama, S.A. ("Panama") and controls it. On the same day, Cable Onda paid an original cash consideration of $594 million to acquire 100% of the shares of Panama, subject to a final price adjustment expected in Q1 2020. The purchase consideration also includes potential indemnifications from the sellers (including potential tax contingencies and litigations). For the purchase accounting, Millicom determined the fair value of Panama's identifiable assets and liabilities based on transaction and relative fair values. The purchase accounting is still provisional at December 31, 2019, particularly in respect of the evaluation of property, plant and equipment, right-of-use assets and lease liabilities, and tax contingencies. Management expects to finalize the purchase accounting during the first half of 2020. No non-controlling interests are recognized at acquisition date as Cable Onda acquired 100% of the shares of Panama. Though, non-controlling interests are recognized in Panama's results from the date of acquisition.

The provisional purchase accounting as at December 31, 2019 is as follows:

	Provisional Fair values (100%) **(US$ millions)**
Intangible assets (excluding goodwill) (i)	169
Property, plant and equipment	110
Right of use assets	57
Other non-current assets	3
Current assets (excluding cash)	23
Trade receivables (ii)	21
Cash and cash equivalents	10
Total assets acquired	**391**
Lease liabilities	48
Other debt and financing	74
Other liabilities (iii)	101
Total liabilities assumed	**224**
Fair value of assets acquired and liabilities assumed, net	167
Acquisition price	594
Provisional Goodwill	**426**

(i) Intangible assets not previously recognized at the date of acquisition, are mainly customer lists for an amount of $58 million, with estimated useful lives ranging from 3 to 17 years. In addition, a fair value step-up of $3 million on the spectrum held by Panama has been recognized, with a remaining useful life of 17 years.

3. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER NON-CONTROLLING INTERESTS (Continued)

(ii) The fair value of trade receivables acquired was $21 million.

(iii) Other liabilities include a deferred tax liability of $15 million resulting from the above adjustments

The goodwill is currently not expected to be tax deductible and is attributable to expected synergies and convergence with Cable Onda, as well as to the fair value of the assembled work force. For convenience purposes, the acquisition date was set on September 1, 2019. From September 1, 2019 to December 31, 2019, Panama contributed $80 million of revenue and a net profit of $6 million to the Group. If Panama had been acquired on January 1, 2019 incremental revenue for the twelve-month period ended December 31, 2019 for the Group would have been $158 million and incremental net profit for that period would have been $1 million, including amortization of assets not previously recognized of $3 million (net of tax).

Acquisitions 2018

On October 7, 2018, the Company signed an agreement to acquire a controlling 80% stake in Cable Onda, the largest cable and fixed telecommunications services provider in Panama. The selling shareholders retained a 20% equity stake in the company. The transaction closed on December 13, 2018 after receipt of necessary approvals, for cash consideration of $956 million. Millicom concluded that it controls Cable Onda since closing date and therefore fully consolidates it in its financial statements with a 20% non-controlling interest. The deal also includes certain liquidity rights such as call and put options which are further detailed below.

For the purchase accounting, Millicom determined the fair value of Cable Onda's identifiable assets and liabilities based on transaction and relative values. The non-controlling interest was measured based on the proportionate share of the fair value of the net assets of Cable Onda. The exercise has been finalized in December 2019. The main adjustments compared to the provisional fair values relate to the final valuation of the property, plant and equipment for a net increase of $30 million, as well as its related impact on the customer list fair value (a decrease of $20 million) and deferred tax liabilities (net increase of $3 million). The remaining adjustments are linked to reassessment of contingent liabilities and corresponding indemnification assets. As a result, goodwill decreased by $8 million as follows:

	Provisional Fair values (100%)	Final Fair values (100%)	Changes
	(US$ millions)	(US$ millions)	(US$ millions)
Intangible assets (excluding goodwill) (i)	673	653	(20)
Property, plant and equipment (ii)	348	378	30
Current assets (excluding cash)(iii)	54	50	(4)
Cash and cash equivalents	12	12	—
Total assets acquired	**1,088**	**1,094**	**6**
Non-current liabilities(iv)	422	425	3
Current liabilities	141	134	(7)
Total liabilities assumed	**563**	**559**	**(4)**
Fair value of assets acquired and liabilities assumed, net	**525**	**535**	**10**
Transaction costs assumed by Cable Onda (v)	30	30	—
Fair value of non-controlling interest in Cable Onda (20%)	111	113	2
Millicom's interest in the fair value of Cable Onda (80%)	444	452	8
Acquisition price	**956**	**956**	**—**
Final Goodwill	**512**	**504**	**(8)**

(i) Intangible assets not previously recognized (or partially recognized as a result of previous acquisitions) are trademarks for an amount of $280 million, with estimated useful lives of 3 years, a customer list for an amount of $350 million, with estimated useful life of 20 years and favorable content contracts for $19 million, with a useful life of 10 years.

(ii) A net fair value step-up of $30 million has been recognized on property, plant and equipment, mainly on the core network ($11 million). The expected remaining useful lives were estimated at 5 years on average.

(iii) Current assets include trade receivables amounting to a fair value of $34 million.

(iv) Non-current liabilities include the deferred tax liability of $161 million resulting from the above adjustments.

(v) Transaction costs of $30 million have been assumed and paid by Cable Onda before the acquisition or by Millicom on the closing date. Because of their relationship with the acquisition, these costs have been accounted for as post-acquisition costs in the Millicom Group statement of income. These, together with acquisition-related costs of $11 million, have been recorded under operating expenses in the statement of income of the year.

3. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER NON-CONTROLLING INTERESTS (Continued)

The completion of the purchase price allocation did not result in any material impact on the statement of income for the years ended December 31, 2018 and December 31, 2019, respectively, in respect of values previously recorded in the provisional purchase accounting.

The goodwill, which is not expected to be tax deductible, is attributable to Cable Onda's strong market position and profitability, as well as to the fair value of the assembled work force. From December 13, 2018 to December 31, 2018, Cable Onda contributed $17 million of revenue and a net loss of $7 million to the Group. If Cable Onda had been acquired on 1 January 2018 incremental revenue for the 2018 year would have been $403 million and incremental net loss for that period of $59 million, including amortization of assets not previously recognized of $85 million (net of tax).

Call and put options - Panama

As a consequence of the Telefonica Panama acquisition, on August 29, 2019 the shareholders agreed to amend the call and put options in respect of the remaining 20% non-controlling interest that were set as part of the acquisition of Cable Onda.

First, the parties agreed new unconditional call and put options to acquire the remaining 20% non-controlling interest in Cable Onda becoming exercisable at any time from July 2022, both, at fair market value.

Second, they also agreed on 'Transaction Price' call and put options conditional to the occurrence of certain events, such as change of control of Millicom or at any time if Millicom's non-controlling partners' shareholdings fall below 10%, and becoming exercisable on the date of the Telefonica Panama closing (August 29, 2019) and extending until July 2022. The put and call options are exercisable at the purchase price in the Cable Onda transaction (enterprise value of $1.46 billion), plus interest at 5% per annum (put) and at 10% per annum (call), respectively.

Millicom determined that both the new unconditional put option and 'Transaction Price' put option could be exercised under events which are outside the control of Millicom, and therefore meet the criteria under IAS 32 for recognition as a liability and a corresponding equity decrease - same conclusion as for previous put option for which a liability had already been recognized at acquisition date in 2018. The put option liability is now valued at the higher of fair market value and Transaction Price plus interest at 5% per annum and is payable in Millicom's shares or in cash at the discretion of the partner.

As of December 31, 2019, the value of the 'Transaction Price' put option is lower than fair market value, and therefore the Group recognized the put option liability at the higher of both valuations at $264 million (see note 6). Any further change in the value of the put option liability will be recorded in the Group's statement of income. Both call options are currently out of the money and have therefore no value as of December 31, 2019.

Disposals 2019

On June 26, 2019, the Group completed the disposal of its operations in Chad for a final cash consideration of $110 million. In accordance with Group practices, the Chad operation has been classified as assets held for sale and discontinued operations as from June 5, 2019 and prior periods have been restated. On June 26, 2019, Chad was deconsolidated and a gain on disposal of $78 million was recognized (see note 4).

4. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Discontinued operations - Chad

On June 26, 2019, Chad was deconsolidated and a gain on disposal of $77 million, net of costs of disposal of $4 million, was recognized. Foreign currency exchange losses accumulated in equity of $8 million have also been recycled in the statement of income accordingly. The resulting net gain of $70 million has been recognized under 'Profit (loss) for the period from discontinued operations, net of tax'. The operating net loss of the operation for the period from January 1, 2019 to June 26, 2019 was $5 million.

The assets and liabilities de-consolidated on the date of the disposal were as follows:

Assets and liabilities held for sale ($ millions)	**June 26, 2019**
Intangible assets, net	18
Property, plant and equipment, net	89
Right of use assets	9
Other non-current assets	8
Current assets	34
Cash and cash equivalents	9
Total assets of disposal group held for sale	**168**
Non-current financial liabilities	8
Current liabilities	131
Total liabilities of disposal group held for sale	**140**
Net assets held for sale at book value	**28**

Summary

Financial information relating to the discontinued operations for the three and twelve-month periods ended December 31, 2019 and 2018 are set out below. Figures shown below are after inter-company eliminations. 2018 statement of income figures include Rwanda (1 month), Senegal (4 months) and Chad (12 months). 2019 figures include Chad only (6 months).

Results from Discontinued Operations ($ millions)	**Twelve months ended December 31, 2019**	**Twelve months ended December 31, 2018**	**Three months ended December 31, 2019**	**Three months ended December 31, 2018**
Revenue	50	189	—	30
Cost of sales	(14)	(51)	—	(5)
Operating expenses	(29)	(83)	—	(13)
Depreciation and amortization	(11)	(27)	—	(6)
Other operating income (expenses), net	—	(9)	—	1
Gain/(loss) on disposal of discontinued operations	74	(29)	—	—
Other expenses linked to the disposal of discontinued operations	(10)	(10)	(3)	(3)
Operating profit (loss)	**61**	**(21)**	**(4)**	**3**
Interest income (expense), net	(2)	(6)	—	(2)
Other non-operating (expenses) income, net	—	(2)	—	—
Profit (loss) before taxes	59	(29)	(3)	1
Credit (charge) for taxes, net	(2)	(4)	—	(2)
Net Profit/(loss) from discontinuing operations	**57**	**(33)**	**(3)**	**(1)**

4. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE (Continued)

Cash flows from discontinued operations ($ millions)	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Cash from (used in) operating activities, net	(8)	(38)
Cash from (used in) investing activities, net	5	8
Cash from (used in) financing activities, net	7	11
Net cash inflows/(outflows)	**5**	**(19)**

Tower Sale and Leasebacks

In 2017 and 2018, the Group announced agreements to sell and leaseback wireless communications towers in Paraguay, Colombia and El Salvador. Total gain on sale recognized in 2019 was $5 million (2018: $61 million, 2017: $63 million) and cash received from these sales were $22 million, $141 million and $161 million, respectively.

5. SEGMENT INFORMATION

Management determines operating and reportable segments based on information used by the chief operating decision maker (CODM) to make strategic and operational decisions from both a business and geographic perspective. The Group's risks and rates of return are predominantly affected by operating in different geographical regions. The Group has businesses in two main regions: Latin America ("Latam") and Africa. The Latam figures below include Honduras and Guatemala as if they are fully consolidated by the Group, as this reflects the way management reviews and uses internally reported information to make decisions. Honduras and Guatemala are shown under the Latam segment. The joint venture in Ghana is not reported as if fully consolidated.

Revenue, operating profit (loss), EBITDA and other segment information for the periods three and twelve-month periods ended December 31, 2019 and 2018, are as follows:

Twelve months December 31, 2019 ($ millions)	Latin America	Africa	Unallocated	Guatemala and Honduras (vii)	Eliminations and Transfers	Total
Mobile revenue	3,258	372	—	(1,480)	—	2,150
Cable and other fixed services revenue	2,197	9	—	(277)	—	1,928
Other revenue	60	1	—	(8)	—	52
Service revenue (i)	5,514	382	—	(1,766)	—	4,130
Telephone and equipment and other revenue (i)	449	—	—	(243)	—	206
Revenue	**5,964**	**382**	**—**	**(2,009)**	**—**	**4,336**
Operating profit (loss)	**1,006**	**24**	**(94)**	**(540)**	**179**	**575**
Add back:						
Depreciation and amortization	1,435	99	9	(444)	—	1,100
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(179)	(179)
Other operating income (expenses), net	2	(2)	42	(8)	—	34
EBITDA (ii)	**2,443**	**122**	**(43)**	**(992)**	**—**	**1,530**
EBITDA from discontinued operations	—	(3)	—	—	—	(3)
EBITDA incl discontinued operations	**2,443**	**119**	**(43)**	**(992)**	**—**	**1,527**
Capital expenditure (iii)	(1,040)	(58)	(9)	261	—	(846)
Changes in working capital and others (iv)	(86)	14	(52)	(18)	—	(143)
Taxes paid	(225)	(10)	(8)	129	—	(114)
Operating free cash flow (v)	**1,093**	**64**	**(112)**	**(619)**	**—**	**425**
Total Assets (vi)	**13,821**	**936**	**3,715**	**(5,465)**	**(151)**	**12,856**
Total Liabilities	**8,374**	**909**	**3,977**	**(2,119)**	**(965)**	**10,176**

5. SEGMENT INFORMATION (Continued)

Twelve months ended December 31, 2018 ($ millions) (viii)	Latin America	Africa	Unallocated	Guatemala and Honduras (vii)	Eliminations and Transfers	Total
Mobile revenue	3,214	388	—	(1,475)	—	2,126
Cable and other fixed services revenue	1,808	10	—	(253)	—	1,565
Other revenue	48	1	—	(6)	—	43
Service revenue (i)	5,069	398	—	(1,734)	—	3,734
Telephone and equipment revenue (i)	415	—	—	(203)	—	212
Revenue	**5,485**	**399**	**—**	**(1,937)**	**—**	**3,946**
Operating profit (loss)	**995**	**25**	**(47)**	**(488)**	**154**	**640**
Add back:						
Depreciation and amortization	1,133	80	5	(416)	—	803
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(154)	(154)
Other operating income (expenses), net	(51)	(3)	(2)	(19)	—	(75)
EBITDA (ii)	**2,077**	**102**	**(44)**	**(922)**	**—**	**1,213**
EBITDA from discontinued operations	—	44	—	—	—	44
EBITDA incl discontinued operations	**2,077**	**146**	**(44)**	**(922)**	**—**	**1,257**
Capital expenditure (iii)	(872)	(59)	(2)	225	—	(708)
Changes in working capital and others (iv)	(42)	28	13	(12)	—	(13)
Taxes paid	(264)	(24)	(6)	142	—	(153)
Operating free cash flow (v)	**899**	**91**	**(39)**	**(568)**	**—**	**383**
Total Assets (vi)	**11,751**	**839**	**2,752**	**(5,219)**	**190**	**10,313**
Total Liabilities	**6,127**	**905**	**2,953**	**(1,814)**	**(650)**	**7,521**

5. SEGMENT INFORMATION (Continued)

Three months ended December 31, 2019 ($ millions)	Latin America	Africa (viii)	Unallocated	Guatemala and Honduras (vii)	Eliminations and transfers	Total
Mobile revenue	859	95	—	(375)	—	579
Cable and other fixed services revenue	559	2	—	(72)	—	490
Other revenue	23	—	—	(4)	—	19
Service revenue (i)	1,442	98	—	(451)	—	1,089
Telephone and equipment revenue (i)	135	—	—	(73)	—	61
Revenue	**1,577**	**98**	**—**	**(525)**	**—**	**1,150**
Operating profit (loss)	**258**	**8**	**(47)**	**(132)**	**43**	**129**
Add back:						
Depreciation and amortization	379	28	3	(112)	—	297
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(42)	(42)
Other operating income (expenses), net	11	—	33	(3)	—	41
EBITDA (ii)	**648**	**35**	**(11)**	**(247)**	**—**	**424**
EBITDA from discontinued operations	—	(3)	—	—	—	(3)
EBITDA incl discontinued operations	**648**	**32**	**(11)**	**(247)**	**—**	**421**
Capital expenditure (iii)	(264)	(22)	(5)	72	—	(218)
Changes in working capital and others (iv)	(19)	(4)	37	(3)	—	10
Taxes paid	(78)	(2)	(1)	41	—	(40)
Operating free cash flow (v)	**287**	**3**	**20**	**(137)**	**—**	**173**

5. SEGMENT INFORMATION (Continued)

Three months ended December 31, 2018 ($ millions)	Latin America	Africa	Unallocated	Guatemala and Honduras (vii)	Eliminations and transfers	Total
Mobile revenue	803	101	—	(372)	—	532
Cable and other fixed services revenue	447	2	—	(67)	—	382
Other revenue	13	—	—	(3)	—	11
Service revenue (i)	1,263	103	—	(442)	—	924
Telephone and equipment revenue (i)	118	—	—	(61)	—	57
Revenue	**1,381**	**103**	**—**	**(503)**	**—**	**980**
Operating profit (loss)	**248**	**5**	**(58)**	**(132)**	**45**	**107**
Add back:						
Depreciation and amortization	283	20	1	(99)	—	204
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(45)	(45)
Other operating income (expenses), net	(6)	—	3	(7)	—	(10)
EBITDA (ii)	**524**	**25**	**(54)**	**(238)**	**—**	**257**
EBITDA from discontinued operations	—	8	—	—	—	8
EBITDA incl discontinued operations	**524**	**33**	**(54)**	**(238)**	**—**	**265**
Capital expenditure (iii)	(230)	(15)	—	67	—	(178)
Changes in working capital and others (iv)	42	(18)	68	4	—	96
Taxes paid	(78)	(12)	(2)	32	—	(60)
Operating free cash flow (v)	**258**	**(11)**	**10**	**(136)**	**—**	**123**

(i) Service revenue is Group revenue related to the provision of ongoing services such as monthly subscription fees, airtime and data usage fees, interconnection fees, roaming fees, mobile finance service commissions and fees from other telecommunications services such as data services, SMS and other value-added services excluding telephone and equipment sales. Revenues from other sources comprises rental, sub-lease rental income and other non recurrent revenues. The Group derives revenue from the transfer of goods and services over time and at a point in time. Refer to the table below.

(ii) EBITDA is operating profit excluding impairment losses, depreciation and amortization and gains/losses on the disposal of fixed assets. EBITDA is used by the management to monitor the segmental performance and for capital management. For the three and twelve-month periods ended December 31, 2019, the application of IFRS 16 had a positive impact on EBITDA as compared to what our results would have been if we had continued to follow the IAS 17 standard.

(iii) Excluding spectrum and licenses of $59 million (2018: $61 million) and cash received on tower deals of $22 million (2018: $141 million).

(iv) 'Changes in working capital and others' include changes in working capital as stated in the cash flow statement as well as share based payments expense and non-cash bonuses (see note 3).

(v) Operating Free Cash Flow is EBITDA less cash capex (excluding spectrum and license costs) less change in working capital, other non-cash items (share-based payment expense and non-cash bonuses) and taxes paid.

(vi) Segment assets include goodwill and other intangible assets.

(vii) Including eliminations for Guatemala and Honduras as reported in the Latin America segment.

(viii) Restated as a result of classification of certain of our African operations as discontinued operations (see notes 4 and 14).

5. SEGMENT INFORMATION (Continued)

Revenue from contracts with customers from continuing operations

		Twelve months ended December 31, 2019			Twelve months ended December 31, 2018			Three months ended December 31, 2019			Three months ended December 31, 2018		
$ millions	**Timing of revenue recognition**	**Latin America**	**Africa**	**Total Group**	**Latin America**	**Africa**	**Total Group**	**Latin America**	**Africa**	**Total Group**	**Latin America**	**Africa**	**Total Group**
Mobile	Over time	1,747	261	2,007	1,701	280	1,981	476	66	542	421	72	492
Mobile Financial Services	Point in time	31	112	143	37	108	145	8	29	37	10	28	38
Cable and other fixed services	Over time	1,919	9	1,928	1,556	10	1,565	488	2	490	380	2	382
Other	Over time	51	1	52	42	1	43	19	—	19	11	—	11
Service		**3,748**	**382**	**4,130**	**3,336**	**398**	**3,734**	**991**	**98**	**1,088**	**821**	**103**	**924**
Telephone and equipment	Point in time	206	—	206	212	—	212	61	—	61	57	—	57
Revenue from contracts with customers		**3,954**	**382**	**4,336**	**3,548**	**399**	**3,946**	**1,052**	**98**	**1,150**	**878**	**103**	**980**

6. OTHER NON-OPERATING (EXPENSES) INCOME, NET

The Group's other non-operating (expenses) income, net comprised the following:

$ millions	**Twelve months ended December 31, 2019**	**Twelve months ended December 31, 2018**	**Three months ended December 31, 2019**	**Three months ended December 31, 2018**
Change in fair value of derivatives	—	(1)	—	—
Change in fair value in investment in Jumia (Note 15)	(38)	—	(6)	—
Change in fair value in investment in HT (Note 15)	312	—	312	—
Change in value of put option liability (Note 3)	(25)	—	(7)	—
Exchange gains (losses), net	(32)	(40)	7	(47)
Other non-operating income (expenses), net	10	2	2	1
Total	**227**	**(39)**	**309**	**(46)**

7. EARNINGS PER COMMON SHARE

Earnings per common share (EPS) attributable to owners of the Company are comprised as follows:

$ millions	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018	Three months ended December 31, 2019	Three months ended December 31, 2018
Basic and Diluted				
Net profit (loss) attributable to equity holders from continuing operations	93	23	226	(94)
Net profit (loss) attributable to equity holders from discontinuing operations	57	(33)	(3)	(1)
Net profit attributable to all equity holders to determine the basic earnings (loss) per share	149	(10)	223	(94)
in thousands				
Weighted average number of ordinary shares for basic and diluted earnings per share	101,144	100,793	101,148	100,819
$				
Basic and diluted				
EPS from continuing operations attributable to owners of the Company	0.92	0.23	2.23	(0.93)
EPS from discontinued operations attributable to owners of the Company	0.56	(0.33)	(0.03)	(0.01)
EPS for the period attributable to owners of the Company	1.48	(0.10)	2.20	(0.94)

8. PROPERTY, PLANT AND EQUIPMENT

During the twelve-month period ended December 31, 2019, Millicom added property, plant and equipment for $719 million (December 31, 2018: $696 million) and received $24 million in cash from disposal of property, plant and equipment (December 31, 2018: $154 million).

9. INTANGIBLE ASSETS

During the twelve-month period ended December 31, 2019, Millicom added spectrum and licenses for an amount of $101 million and other intangible assets for $101 million (December 31, 2018: $66 million and $92 million, respectively) and did not receive any proceeds from disposal of intangible assets (December 31, 2018: nil).

On May 20, 2019 the Group renewed 10MHz of the 1900 MHz spectrum in Colombia for a period of 10 years for an amount of $47 million (payable in five installments from June 2019 to February 2023) and an obligation to build 45 sites during the 20-month period following the renewal (approximately$20 million cost, that will be capitalized once the sites are built). In December 2019, the company substituted its coverage obligation by agreeing to pay the corresponding amount of $20 million in cash in 6 installments between January to June 2020. As a result, Management recognized an addition to spectrum assets and a liability for $20 million.

On July 9, 2019, the Tanzania Communications Regulatory Authority ('TCRA') issued a notice to cancel the license of Telesis, a subsidiary of Millicom in Tanzania that shared its 4G spectrum with Tigo and Zantel operations in the country. The net carrying value of the Telesis' license amounting to $8 million has therefore been impaired during Q3 2019. As a consequence and in order to continue providing 4G services in the country, our operation in Tanzania had to purchase spectrum in the 800MHz band from the TCRA for a period of 15 years and for an amount of $12 million.

In December 2019, Millicom's wholly-owned subsidiary Telemovil El Salvador S.A. de C.V. ('Telemovil') acquired spectrum in 50Mhz AWS band and paid an advance of $14 million. On January 8, 2020, Telemovil made a final payment of $20 million and started operating the spectrum.

9. INTANGIBLE ASSETS (Continued)

In December 2019, Tigo Colombia participated in an auction launched by the Ministerio de Tecnologias de la Informacion y las Comunicaciones (MINTIC), and acquired licenses granting the right to use a total of 40 MHz in the 700 MHz band. The 20-year license will expire in 2040. As a result of this auction,Tigo Colombia has strengthened its spectrum position, which also includes 55 MHz in the 1900 band and 30 MHz of AWS. Tigo Colombia agreed to a total notional consideration of COP$2.45 billion (equivalent to approximately US$736 million), of which approximately 45% is to be met by coverage obligations implemented by 2025.

The remaining 55% is payable in cash with an initial payment of approximately US$39 million to be made in Q1 2020, with the remainder payable in 12 annual installments beginning in 2026 and ending in 2037. The final permission to operate in 700 MHz will be given in February 2020.

10. DEBT AND FINANCING

The most significant financings of the period are as follows:

MICSA

On February 20, 2019, MICSA. entered into a $1.65 billion term loan facility agreement with a consortium of banks (the "Telefonica Bridge Facility"). The Telefonica Bridge Facility was available to be drawn to (i) pay the purchase price for the Telefonica CAM Acquisitions, (ii) refinance the debts of any member of the Telefonica CAM group and/or (iii) pay any costs, fees, interests or other expenses in connection with the Telefonica CAM Acquisitions or the Telefonica Bridge Facility. However, the facility was not used, and was ultimately fully canceled as of December 19, 2019. Millicom recorded structuring and duration fees for a total amount of $14 million and $3million of ticking fees under 'Interest expense' in the year ended December 31, 2019.

On March 25, 2019, MIC S.A. issued $750 million of 6.25% senior notes due 2029. The notes bear interest at 6.25% p.a., payable semi-annually in arrears on March 25 and September 25 of each year, starting on September 25, 2019. The net proceeds of the notes were used to finance, in part, the Telefonica CAM Acquisitions (see note 3).

On April 8, 2019, MICSA obtained consents from the holders of its $500 million 6.00% senior notes due 2025 to amend certain provisions of the indenture governing such notes, which cost $1 million (equal to $2.50 per $1,000 principal amount of notes to holders).

On April 24, 2019, MICSA executed a 5 year $300 million term facility loan agreement which bears a variable interest at a rate in which margin varies depending on MICSA's leverage in a range of 2.75 to 3.00, to be paid on a semiannual basis. The net proceeds of the facility were used, among others, to finance the Telefonica CAM Acquisitions (see note 3).

On May 15, 2019, MICSA. issued a SEK 2 billion senior unsecured sustainability bond under its inaugural Sustainability Bond Framework. The bond is due on 2024 and carries a floating coupon priced at 3m Stibor+235bps (see also note 13). It has been listed and trades on Nasdaq Stockholm since June 12, 2019. Proceeds were invested pursuant to the Sustainability Bond Framework which includes both environmental and social investments such as in energy efficiencies, and the expansion of fixed and mobile networks.

Paraguay

On January 2, 2019, Telefónica Celular del Paraguay S.A.E. obtained a seven-year loan from BBVA Bank for PYG 177,000 million which bears a fixed annual interest rate and is due on November, 26, 2025.

In April 2019, Telefónica Celular del Paraguay S.A.E. made a tender offer for its $300 million 6.75% senior notes due 2022 with a premium for a total consideration of $1,025.30 for each $1,000 notes tendered, while simultaneously issued new $300 million 5.875% senior notes due 2027 with an interest at 5.875% p.a., payable semi-annually in arrears on April 15 and October 15 of each year, starting on October 15, 2019 (the "Telecel 2027 Notes"). Remaining, or not tendered 6.75% senior notes due 2022 were early redeemed right after.

In June 2019, a local bond program for up to PYG 300 billion (approximately $50 million) was registered with local financial authority, to be issued in different series from 1 year to 10 years. On June 5, 2019, 3 initial series for up to PYG 230 billion (approximately $37 million) were registered and issued as follows: (i) PYG 115 billion, at 8.75%, due June 3, 2024, (ii) PYG 50 billion, at 9.25%, due May 29, 2026 and (iii) PYG 65 billion, at 10%, due May 31, 2029.

10. DEBT AND FINANCING (Continued)

On September 25, 2019, Telefónica Celular del Paraguay S.A.E. entered into an amended and restated agreement with Banco Continental S.A.E.C.A., to consolidate three existing loans, in aggregate PYG 370 billion (approximately $58 million), bearing interest at a fixed annual rate, to be paid on a quarterly basis and has a maturity of 7 years.

On December 27, 2019, Telefónica Celular del Paraguay S.A.E. issued PYG 35 billion in two tranches: (i) PYG 10 billion which matures on December 30, 2026; and (ii) PYG 25 billion matures on December 24, 2029.

Tanzania

On June 4, 2019, MIC Tanzania Public Limited Company ("MIC Tanzania") entered into a loan facility agreement with the Standard Bank of South Africa acting as an agent and a consortium of banks acting as the original lenders, for $174.75 million (tranche A) and TZS103,000 million (tranche B - approximately $45 million) which bears floating interests as follows: for Tranche A : Libor plus a margin and for Tranche B: T-Bill rate plus a margin.

The facility agreement has an all asset debenture over MIC Tanzania's assets and a pledge over the immediate holding company of MIC Tanzania. We amended and restated the loan agreement on December 12, 2019 and borrowed on December 17, 2019 the full amount under Tranche A and 1/3 of Tranche B.

Panama

On August 27, 2019, Cable Onda S.A entered into two credit agreements, one with Banco Nacional de Panama S.A , for $75 million which bears a fixed interest rate and has a 5 year duration and another one with the Bank of Nova Scotia (Sucursal Panama) for $75 million with fixed interest rate and a five year duration, to finance and refinance working capital and capital expenditures. In addition, on August 27, 2019, Cable Onda S.A entered into an intercompany bridge loan agreement with MICSA for an amount of $420 million with a maturity as of November 12, 2019, which was used for the acquisition of Telefonica Panama (see note 3).

On November 1, 2019, Cable Onda S.A. issued $600 million aggregate principal amount of 4.500% Senior Notes due 2030 payable in U.S. dollars, registered with the Superintendencia del Mercado de Valores de Panamá and listed on the Luxembourg Stock Exchange and on the Panamá Stock Exchange. The notes bear interest from November 1, 2019 at a rate of 4.500% per annum, payable on January 30, 2020 for the first payment and thereafter semiannually in arrears on each interest payment date. The proceeds were used to refund the Panama Acquisition - see above - and to refinance certain local financing. The notes have been issued under an Indenture, dated as of October 28, 2019, with a covenant package based upon the Telecel 2027 notes.

Bolivia

On July 3, 2019 Telefonica Celular de Bolivia S.A. issued two local bonds in Bolivian capital markets, one series for BOB 420 million (approximately $61 million) with a 5.000% coupon maturing on August 15, 2026 and a second series for BOB 280 million (approximately $41 million) with a 4.600% coupon maturing on August 15, 2024. Interest payments are on a semiannual basis and both bonds are listed on the Bolivia Stock Exchange.

On November 19, 2019, we executed a new 4 year loan for BOB 78 million (approximately $11 million) with semiannual payments and fixed interest rate.

Honduras

On September 19, 2019, Telefónica Celular, S.A. de C.V., executed a new credit agreement with Banco Industrial S.A. and Banco País S.A. for an amount up to USD $185 million, in 2 different tranches as follows: (i) $125 million, and (ii) $ 60 million with a variable interest rate. This agreement was executed as a refinancing of a previous loan executed in 2018 with Banco Industrial S.A. and a loan with Scotiabank dated March 27, 2015. On the same date, Navega S.A. de C.V., entered into a separate loan agreement with Banco Industrial S.A. by executing a new facility agreement for up to $20 million in a single tranche with a variable interest rate. The latter was also a refinancing of the portion corresponding to them under the loan with Scotiabank dated March 27, 2015.

Colombia

On December 20, 2019, Colombia Móvil S.A. E.S.P. as borrower and UNE EPM Telecomunicaciones S.A., as guarantor executed an amendment to the $300 million loan with a consortium of banks to extend the maturity for 5 years (now due on December 20, 2024) and lower the applicable margin.

10. DEBT AND FINANCING (Continued)

Analysis of debt and financing by maturity

The total amount of debt and financing is repayable as follows:

$ millions	As at December 31, 2019	December 31, 2018
Due within:		
One year	186	458
One-two years	155	338
Two-three years	145	403
Three-four years	517	570
Four-five years	1,085	468
After five years	3,884	2,345
Total debt and financing	**5,972**	**4,580**

(i) As at December 31, 2018, Debt and financing included finance lease liabilities of $353 million. As at December 31, 2019, and as a result of the application of IFRS 16, these are now shown under Lease liabilities in the statement of financial position and therefore excluded from the table above in 2019.

As at December 31, 2019, the Group's share of total debt and financing secured by either pledged assets, pledged deposits issued to cover letters of credit or guarantees issued was $464 million (December 31, 2018: $626 million). Assets pledged by the Group for these debts and financings amounted to $1 million at December 31, 2019 (December 31, 2018: $2 million).

In addition to the above, on June 4, 2019, MIC Tanzania Public Limited Company entered into a loan facility agreement which was further amended and restated in December 12, 2019, with the Standard Bank of South Africa acting as an agent and a consortium of banks acting as the original lenders. The facility agreement, maturing in 2025, has an all asset debenture securing the whole amount, as well as a pledge over the shares of the immediate holding company of the borrower.

The table below describes the outstanding and maximum exposure under guarantees and the remaining terms of the guarantees as at December 31, 2019 and December 31, 2018.

	Bank and financing guarantees (i)			
$ millions	As at December 31, 2019		As at December 31, 2018	
Terms	Outstanding exposure (i)	Maximum exposure(ii)	Outstanding exposure (i)	Maximum exposure(ii)
0-1 year	29	29	133	133
1-3 years	134	134	281	281
3-5 years	300	300	212	212
More than 5 years	**—**	**—**	**—**	**—**
Total	**464**	**464**	**626**	**626**

(i) If non-payment by the obligor, the guarantee ensures payment of outstanding amounts by the Group's guarantor.

The Group’s interest and other financial expenses comprised the following:

$ millions	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018	Three months ended December 31, 2019	Three months ended December 31, 2018
Interest expense on bonds and bank financing	(348)	(234)	(93)	(68)
Interest expense on (finance) leases	(157)	(91)	(44)	(22)
Early redemption charges	(10)	(4)	—	—
Others	(47)	(37)	(19)	(8)
Total interest and other financial expenses	**(564)**	**(367)**	**(157)**	**(98)**

11. COMMITMENTS AND CONTINGENCIES

Litigation & claims

The Company and its operations are contingently liable with respect to lawsuits, legal, regulatory, commercial and other legal risks that arise in the normal course of business. As of December 31, 2019, the total exposure for claims and litigation risks against Millicom and its subsidiaries is $204 million (December 31, 2018: $683 million). The decrease is mainly due to Colombia where some significant cases were closed or became time barred during the year. The Group's share of the comparable exposure for joint ventures is $4 million (December 31, 2018: $5 million).

As at December 31, 2019, $30 million has been provided by its subsidiaries for these risks in the consolidated statement of financial position (December 31, 2018: $22 million). The Group's share of provisions made by the joint ventures was $3 million (December 31, 2018: $4 million). While it is not possible to ascertain the ultimate legal and financial liability with respect to these claims and risks, the ultimate outcome is not anticipated to have a material effect on the Group's financial position and operations.

Taxation

At December 31, 2019, the tax risks exposure of the Group's subsidiaries is estimated at $300 million, for which provisions of $50 million have been recorded in tax liabilities; representing the probable amount of eventual claims and required payments related to those risks (2018: $226 million of which provisions of $44 million were recorded). The Groups' share of comparable tax exposure and provisions in its joint ventures amounts to $49 million (2018: $29 million) and $4 million (2018: $2 million), respectively.

Capital commitments

At December 31, 2019, the the Company and its subsidiaries had fixed commitments to purchase network equipment, land and buildings, other fixed assets and intangible assets of $122 million of which $102 million are due within one year (December 31, 2018: $88 million of which $71 million are due within one year). The Group's share of commitments from the joint ventures is $52 million and $51 million. (December 31, 2018: $66 million and $56 million).

12. RELATED PARTY TRANSACTIONS

On November 14, 2019, Millicom's historical principal shareholder, Kinnevik AB, distributed its entire (approximately 37% of Millicom's outstanding shares) shareholding in Millicom to its own shareholders through a share redemption plan. Since that date, Kinnevik is no longer a related party or shareholder in Millicom.

The following transactions were conducted with related parties during the three and twelve-month periods ended December 31, 2019 and December 31, 2018:

$ millions	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018	Three months ended December 31, 2019	Three months ended December 31, 2018
Expenses				
Purchases of goods and services from Miffin	(209)	(173)	(54)	(46)
Purchases of goods and services from EPM	(42)	(40)	(13)	(9)
Lease of towers and related services from HTA (iii)	(146)	(28)	(28)	(7)
Other expenses	(15)	(3)	(130)	(1)
Total	**(412)**	**(244)**	**(224)**	**(63)**

$ millions	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018	Three months ended December 31, 2019	Three months ended December 31, 2018
Income / gains				
Sale of goods and services to Miffin	306	284	84	79
Sale of goods and services to EPM	13	17	—	4
Other income / gains	3	2	2	2
Total	**322**	**303**	**86**	**85**

As at December 31, 2019 and December 31, 2018, the Group had the following balances with related parties:

$ millions	As at December 31, 2019	As at December 31, 2018
Liabilities		
Payables to Guatemala joint venture(i)	361	315
Payables to Honduras joint venture(ii)	133	143
Payables to EPM	37	14
Payables to Panama non-controlling interests	—	—
Other accounts payable	—	9
Sub-total	**531**	**482**
(Finance) Lease liabilities to HTA (iii)	—	99
Total	**531**	**580**

(i) Shareholder loans bearing interest. Out of the amount above, $337 million are due over more than one year.

(ii) Amount payable mainly consist of dividend advances for which dividends are expected to be declared in 2020 and/or shareholder loans.

(iii) HTA ceased to be a related party on October 15, 2019 (note 15).

12. RELATED PARTY TRANSACTIONS (Continued)

$ millions	As at December 31, 2019	As at December 31, 2018
Assets		
Receivables from Guatemala and Honduras joint ventures	23	20
Receivables from EPM	3	5
Advance payments to Helios Towers Tanzania(ii)	—	6
Receivables from Panama	—	—
Receivable from AirtelTigo Ghana (i)	43	41
Other accounts receivable	4	1
Total	**73**	**73**

(i) Disclosed under Other non-current assets in the statement of financial position.

(ii) Helios Towers (Tanzania) ceased to be a related party on October 15, 2019 (note 15).

13. FINANCIAL INSTRUMENTS

Other than the items disclosed below, the fair values of financial assets and financial liabilities approximate their carrying values as at December 31, 2019 and December 31, 2018:

$ millions	Carrying value		Fair value(i)	
	As at December 31, 2019	December 31, 2018 (ii)	As at December 31, 2019	December 31, 2018 (ii)
Financial liabilities				
Debt and financing	5,972	4,580	6,229	4,418

(i) Fair values are measured with reference to Level 1 (for listed bonds) or 2.

(ii) As at December 31, 2018, Debt and financing included carrying value of finance lease liabilities of $353 million. As at December 31, 2019, and as a result of the application of IFRS 16, these are now shown under Lease liabilities in the statement of financial position and therefore excluded from the table above in 2019.

Derivative financial instruments

Currency and interest rate swap contracts

MIC S.A. entered into swap contracts in order to hedge the foreign currency and interest rate risks in relation to the SEK 2 billion (approximately $211 million) senior unsecured sustainability bond issued in May 2019 (note 10). These swaps are accounted for as cash flow hedges as the timing and amounts of the cash flows under the swap agreements match the cash flows under the SEK bond. Their maturity date is May 2024. The hedging relationship is highly effective and related fluctuations are recorded through other comprehensive income. At December 31, 2019, the fair values of the swaps amount to a liability of $0.2 million.

Our operations in El Salvador and Costa Rica also entered into several swap agreements in order to hedge foreign currency and interest rate risks on certain long term debts. These swaps are accounted for as cash flow hedges and related fair value changes are recorded through other comprehensive income. At December 31, 2019, the fair values of these swaps amount to liabilities of $17 million.

Interest rate and currency swaps are measured with reference to Level 2 of the fair value hierarchy

There are no other derivative financial instruments with a significant fair value at December 31, 2019.

14. INVESTMENTS IN JOINT VENTURES

Joint ventures are businesses over which Millicom exercises joint control as decisions over the relevant activities of each, such as the ability to upstream cash from the joint ventures, require unanimous consent of shareholders. Millicom determines the existence of joint control by reference to joint venture agreements, articles of association, structures and voting protocols of the board of directors of those ventures.

At December 31, 2019, the equity accounted net assets of our joint ventures in Guatemala, Honduras and Ghana totaled $3,346 million (December 31, 2018: $3,405 million). These net assets do not necessarily represent statutory reserves available for distribution as these include consolidation adjustments (such as goodwill and previously unrecognized assets and assumed liabilities recognized as part of the purchase accounting). Out of these reserves, $142 million (December 31, 2018: $133 million) represent statutory reserves that are unavailable to be distributed to the Group. During the period ended December 31, 2019, Millicom's joint ventures paid $237 million (December 31, 2018: $243 million) as dividends or dividend advances to the Company.

		2019	
$ millions	**Guatemala(i)**	**Honduras (i)**	**Ghana(ii)**
Opening Balance at January 1, 2019	**2,104**	**730**	**32**
Capital increase	—	—	5
Results for the period	152	27	(40)
Dividends declared during the year	(170)	(37)	—
Currency exchange differences	2	(12)	8
Closing Balance at December 31, 2019	**2,089**	**708**	**—**

(i) Share of profit is recognized under 'Share of profit in the joint ventures in Guatemala and Honduras' in the statement of income.

(ii) Share of loss is recognized under 'Income (loss) from other joint ventures and associates, net' in the statement of income.

15. EQUITY INVESTMENTS

As at December 31, 2019, Millicom has the following investments in equity instruments:

$ millions	**2019**	**2018**
Investment in Jumia	32	—
Investment in HT	338	—
Equity investment - total	**371**	**—**

Jumia Technologies AG ("Jumia")

Jumia indirectly owns a number of companies that provide online services and online marketplaces in certain countries in Africa.

In January 2019, Millicom was diluted in the capital of the company following the entry of a new investor. This triggered the recognition of a net dilution gain of $7 million in January 2019. In addition, during Q1 2019, in preparation of Jumia's IPO, Millicom relinquished its seat on the board of directors, which resulted in the loss of the Group's significant influence over Jumia. As a result, Millicom derecognized its investment in associate in Jumia and recognized it as a financial asset (equity instrument) at fair value under IFRS 9. On April 11, 2019, Jumia completed its IPO at the offer price per share of $14.5 and shares started trading on the NYSE on April 12, 2019.

As a result, as of March 31, 2019, a net gain of $30 million had been recognized and reported under 'Income (loss) from associates, net'. Post IPO, Millicom holds 6.31% of the outstanding shares of Jumia.

At December 31, 2019, the closing price of a Jumia share was $6.73, which values Millicom's investment at $32 million (level 1). The changes in fair value of $(38) million for the year ended December 31, 2019 is shown under 'Other non-operating (expenses) income, net' (see note 6).

Helios Towers plc ("HT")

In October 2019, Helios Towers plc (a company inserted as the holding company of HTA just prior to IPO) completed its IPO on the London Stock Exchange at a price of GBP 1.15 per share valuing the company at enterprise value of approximately $2.0 billion and a market capitalization of $1.45 billion.

15. EQUITY INVESTMENTS (Continued)

As part of the listing process, on October 17, 2019, Millicom first was diluted as HT management exercised their IPO option rights (~4%). This event triggered the recognition of a non-cash dilution loss of $3 million recorded under 'Income/(loss) from other joint ventures and associates'.

On the same day, Millicom resigned from its board of directors seats, which resulted in the loss of the Group's significant influence over HT. As a result, as from that date, Millicom derecognized its investment in associate in HT and recognized it as a financial asset at fair value under IFRS 9. The derecognition of the investment in associate and recognition of the equity investment in HT at a fair value of $292 million triggered the recognition of a net non-cash P&L gain of $208 million recorded under 'Other non-operating income (expense), net'. Fair value was determined using the IPO reference share price of GBP1.15.

As a result of the IPO and the subsequent exercise of the overallotment option, Millicom disposed of a portion of its ownership (in total approximately20%) yielding $57 million in gross proceeds and $25 million in net proceeds after fees and Millicom's share in tax escrow of $30 million which has been deducted in full from the gain given the high level of uncertainties used in assessing the potential tax liability. These disposals did trigger a loss of $32 million, as a result of the tax escrow and transaction fees, and are recorded under 'Other operating income (expenses), net'.

Post-IPO and overallotment option exercise, Millicom holds a 16.2% stake which, as at December 31, 2019, is valued at $338 million (level 1) using a closing share price of GBP 1.58.

In future periods, Millicom will value such equity investment and will present subsequent changes in fair value in the statement of income under 'Other non-operating income/(expense), net'.

16. IPO – MILLICOM'S OPERATIONS IN TANZANIA

In June 2016, an amendment to the Electronic and Postal Communications Act ("EPOCA") in the Finance Act 2016 required all Tanzanian licensed telecom operators to sell 25% of the authorised share capital in a public offering on the Dar Es Salaam Stock Exchange. In December 2019, the Group filed the draft prospectus with the Tanzania Capital Market and Securities Authority with the view to initiate the listing process in H1 2020.

17. SUBSEQUENT EVENTS

Shareholder remuneration

On February 24, 2020, Millicom's Board approved to the Annual General Meeting of the shareholders a share buyback program to repurchase at least $500 million over the next three years. The current shareholder authorization, which expires on May 5, 2020, allows for the repurchase of up to 5% of the outstanding share capital. In addition, the Board approved to the Annual General Meeting of the shareholders a dividend distribution of $1.00 per share to be paid in 2020. The Annual General Meeting to vote these matters is scheduled to May 5, 2020.

Paraguay bond

On January 28, 2020, Millicom's wholly-owned subsidiary Telefónica Celular del Paraguay S.A.E ("Telecel"), closed a $250 million re-tap to its senior unsecured notes due 2027, representing an additional issuance of Telecel's outstanding $300 million 5.875% Senior Notes due 2027 issued on April 5, 2019. The New Notes will be treated as a single class with the initial notes, and they were priced at 106.375 for an implied yield to maturity of 4.817%.