# Unaudited Interim Condensed Consolidated Financial Statements

**For the three-month period ended March 31, 2023**

**April 27, 2023**

# Unaudited interim condensed consolidated statement of income for the three-month period ended March 31, 2023

| in millions of U.S. dollars except per share data | Notes | Three months ended March 31, 2023 | Three months ended March 31, 2022 |
|---|---|---|---|
| **Continuing Operations** | | | |
| Revenue | 5 | 1,369 | 1,408 |
| Cost of sales | | (372) | (370) |
| **Gross profit** | | **998** | **1,038** |
| Operating expenses | | (490) | (474) |
| Depreciation | | (244) | (256) |
| Amortization | | (87) | (81) |
| Share of profit in Honduras joint venture | 8 | 11 | 8 |
| Other operating income (expenses), net | | 2 | — |
| **Operating profit** | 5 | **190** | **234** |
| Interest and other financial expenses | 11 | (170) | (143) |
| Interest and other financial income | | 5 | 2 |
| Other non-operating (expenses) income, net | 6 | 19 | 4 |
| Profit (loss) from other joint ventures and associates, net | | (4) | 1 |
| **Profit (loss) before taxes from continuing operations** | | **39** | **99** |
| Tax expense | 12 | (59) | (69) |
| **Profit (loss) from continuing operations** | | **(20)** | **29** |
| Profit (loss) from discontinued operations, net of tax | 4 | — | (5) |
| **Net profit (loss) for the period** | | **(20)** | **24** |
| | | | |
| **Attributable to:** | | | |
| Owners of the Company | | 3 | 23 |
| Non-controlling interests | | (23) | 1 |
| | | | |
| **Earnings/(loss) per common share for net profit/ (loss) attributable to the owners of the Company:** | | | |
| Basic ($ per share) (i) | 7 | 0.02 | 0.18 |
| Diluted ($ per share) (i) | 7 | 0.02 | 0.18 |

*(i) 2022 comparatives have been restated as a result of the completion of the rights offering (see note 7)*

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

## Unaudited interim condensed consolidated statement of comprehensive income for the three-month period ended March 31, 2023

| in millions of U.S. dollars | Three months ended March 31, 2023 | Three months ended March 31, 2022 |
|---|---|---|
| Net profit (loss) for the period | (20) | 24 |
| **Other comprehensive income (to be reclassified to statement of income in subsequent periods), net of tax:** | | |
| Exchange differences on translating foreign operations | 11 | 21 |
| Change in value of cash flow hedges, net of tax effects | (5) | 3 |
| **Total comprehensive income (loss) for the period** | **(14)** | **49** |

| | | |
|---|---|---|
| **Attributable to:** | | |
| Owners of the Company | 11 | 46 |
| Non-controlling interests | (25) | 3 |

| | | |
|---|---|---|
| **Total comprehensive income (loss) for the period arises from:** | | |
| Continuing operations | (14) | 55 |
| Discontinued operations | — | (6) |

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 March 31, 2023

| in millions of U.S. dollars | Notes | March 31, 2023 | December 31, 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Intangible assets, net | 10 | 7,631 | 7,361 |
| Property, plant and equipment, net | 9 | 3,005 | 2,989 |
| Right of use assets, net | | 889 | 884 |
| Investment in Honduras joint venture | 8 | 592 | 590 |
| Contract costs, net | | 10 | 10 |
| Deferred tax assets | | 210 | 204 |
| Derivative financial instruments | 13 | 16 | 19 |
| Other non-current assets | | 146 | 76 |
| **TOTAL NON-CURRENT ASSETS** | | **12,500** | **12,133** |
| **CURRENT ASSETS** | | | |
| Inventories | | 68 | 53 |
| Trade receivables, net | | 383 | 379 |
| Contract assets, net | | 80 | 77 |
| Amounts due from non-controlling interests, associates and joint ventures | 8 | 16 | 15 |
| Prepayments and accrued income | | 188 | 117 |
| Current income tax assets | | 111 | 111 |
| Supplier advances for capital expenditure | | 14 | 21 |
| Other current assets | | 109 | 197 |
| Restricted cash | | 55 | 57 |
| Cash and cash equivalents | | 903 | 1,039 |
| **TOTAL CURRENT ASSETS** | | **1,927** | **2,065** |
| **TOTAL ASSETS** | | **14,427** | **14,198** |

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 March 31, 2023 (continued)

| in millions of U.S. dollars | Notes | March 31, 2023 | December 31, 2022 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Share capital and premium | | 1,343 | 1,343 |
| Treasury shares | | (46) | (47) |
| Other reserves | | (541) | (559) |
| Retained profits | | 2,868 | 2,691 |
| Net profit for the period/year attributable to equity holders | | 3 | 177 |
| **Equity attributable to owners of the Company** | | **3,627** | **3,605** |
| Non-controlling interests | | 4 | 29 |
| **TOTAL EQUITY** | | **3,632** | **3,634** |
| | | | |
| **LIABILITIES** | | | |
| **NON-CURRENT LIABILITIES** | | | |
| Debt and financing | 11 | 6,667 | 6,624 |
| Lease liabilities | 11 | 859 | 853 |
| Derivative financial instruments | 13 | 57 | 53 |
| Payables and accruals for capital expenditure | 10 | 693 | 473 |
| Provisions and other non-current liabilities | | 304 | 295 |
| Deferred tax liabilities | | 148 | 148 |
| **TOTAL NON-CURRENT LIABILITIES** | | **8,728** | **8,445** |
| | | | |
| **CURRENT LIABILITIES** | | | |
| Debt and financing | 11 | 179 | 180 |
| Lease liabilities | 11 | 167 | 163 |
| Payables and accruals for capital expenditure | | 348 | 428 |
| Other trade payables | | 391 | 400 |
| Amounts due to non-controlling interests, associates and joint ventures | 8 | 91 | 58 |
| Accrued interest and other expenses | | 402 | 412 |
| Current income tax liabilities | | 93 | 86 |
| Contract liabilities | | 88 | 88 |
| Provisions and other current liabilities | | 308 | 305 |
| **TOTAL CURRENT LIABILITIES** | | **2,067** | **2,119** |
| **TOTAL LIABILITIES** | | **10,795** | **10,565** |
| **TOTAL EQUITY AND LIABILITIES** | | **14,427** | **14,198** |

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 three-month period ended March 31, 2023

| in millions of U.S. dollars | Notes | March 31, 2023 | March 31, 2022 |
|---|---|---|---|
| **Cash flows from operating activities (including discontinued operations)** | | | |
| Profit (loss) before taxes from continuing operations | | 39 | 99 |
| Profit (loss) before taxes from discontinued operations | 4 | — | (3) |
| **Profit (loss) before taxes** | | **39** | **96** |
| **Adjustments to reconcile to net cash:** | | | |
| Interest expense on leases | | 29 | 38 |
| Interest expense on debt and other financing | | 142 | 116 |
| Interest and other financial income | | (5) | (2) |
| **Adjustments for non-cash items:** | | | |
| Depreciation and amortization | 4,5 | 331 | 358 |
| Share of profit in joint ventures | | (11) | (8) |
| (Gain) loss on disposal and impairment of assets, net | | (2) | 2 |
| Share-based compensation | | 13 | 7 |
| (Profit) loss from Honduras joint ventures, net | | 4 | (1) |
| Other non-cash non-operating (income) expenses, net | 6 | (19) | (5) |
| **Changes in working capital:** | | | |
| Decrease (increase) in trade receivables, prepayments and other current assets, net | | (100) | (77) |
| Decrease (increase) in inventories | | (14) | (28) |
| Increase (decrease) in trade and other payables, net | | (6) | (24) |
| Increase (decrease) in contract assets, liabilities and costs, net | | (3) | (3) |
| **Total changes in working capital** | | **(124)** | **(131)** |
| Interest paid on leases | | (29) | (38) |
| Interest paid on debt and other financing | | (134) | (104) |
| Interest received | | 5 | 1 |
| Taxes paid | | (37) | (62) |
| **Net cash provided by operating activities** | | **201** | **268** |
| **Cash flows from (used in) investing activities (including discontinued operations):** | | | |
| Acquisition of subsidiaries, joint ventures and associates, net of cash acquired | 13 | — | 11 |
| Proceeds from disposal of subsidiaries and associates, net of cash disposed | 4 | — | 3 |
| Purchase of spectrum and licenses | | (53) | (30) |
| Purchase of other intangible assets | 10 | (64) | (84) |
| Purchase of property, plant and equipment | 9 | (228) | (196) |
| Proceeds from sale of property, plant and equipment | 9 | 3 | 4 |
| Dividends and dividend advances received from joint ventures and associates | | 42 | 1 |
| Settlement of derivative financial instruments | 13 | — | 8 |
| Transfer (to) / from pledge deposits, net | | — | 33 |
| Loans granted within the Tigo Money lending activity, net | | (2) | — |
| Cash (used in) provided by other investing activities, net | | 5 | 4 |
| **Net cash used in investing activities** | | **(297)** | **(247)** |

## Unaudited interim condensed consolidated statement of cash flows for the three-month period ended March 31, 2023 (continued)

| | | | |
|---|---|---|---|
| **Cash flows from financing activities (including discontinued operations):** | | | |
| Proceeds from debt and other financing | 11 | 15 | 1,166 |
| Repayment of debt and other financing | 11 | (17) | (1,320) |
| Lease capital repayment | | (40) | (44) |
| **Net cash from (used in) financing activities** | | **(43)** | **(198)** |
| Exchange impact on cash and cash equivalents, net | | 2 | 1 |
| **Net increase (decrease) in cash and cash equivalents** | | **(136)** | **(176)** |
| Cash and cash equivalents at the beginning of the year | | 1,039 | 895 |
| Effect of cash in disposal group held for sale | 4 | — | (24) |
| **Cash and cash equivalents at the end of the period** | | **903** | **695** |

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 three-month period ended March 31, 2023

| in millions of U.S. dollars | Number of shares (000's) (iii) | 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, 2021** | **101,739** | **(1,538)** | **153** | **476** | **(60)** | **2,609** | **(594)** | **2,583** | **157** | **2,740** |
| Total comprehensive income for the period | — | — | — | — | — | 23 | 22 | 46 | 3 | 49 |
| Dividends to non-controlling interests | — | — | — | — | — | — | — | — | (2) | (2) |
| Purchase of treasury shares(ii) | — | (88) | — | — | (3) | 1 | — | (3) | — | (3) |
| Share based compensation | — | | — | — | — | — | 7 | 7 | — | 7 |
| Issuance of shares under share-based payment schemes | — | 357 | — | (2) | 14 | 4 | (16) | — | — | — |
| **Balance on March 31, 2022** | **101,739** | **(1,270)** | **153** | **474** | **(49)** | **2,637** | **(581)** | **2,633** | **158** | **2,791** |
| **Balance on December 31, 2022** | **172,096** | **(1,213)** | **258** | **1,085** | **(47)** | **2,868** | **(559)** | **3,605** | **29** | **3,634** |
| Total comprehensive income for the year | — | — | — | — | — | 3 | 7 | 11 | (25) | (14) |
| Purchase of treasury shares(ii) | — | (33) | — | — | (1) | 1 | — | — | — | — |
| Share based compensation | — | | — | — | — | — | 13 | 13 | — | 13 |
| Issuance of shares under share-based payment schemes | — | 71 | — | — | 3 | — | (2) | — | — | — |
| Effect of the buy-out of non-controlling interests in Panama | — | — | — | — | — | (1) | — | (1) | — | — |
| **Balance on March 31, 2023** | **172,096** | **(1,175)** | **258** | **1,085** | **(46)** | **2,871** | **(541)** | **3,627** | **4** | **3,632** |

*(i) Retained profits – includes profit for the period attributable to equity holders, of which at March 31, 2023, $481 million (2022: $475 million) are not distributable to equity holders.*

*(ii) During the three-month period ended March 31, 2023, Millicom withheld approximately 33,290 shares for the settlement of tax obligations on behalf of employees under share-based compensation plans (2022: 88,055)*

*(iii) The authorized share capital amounts to $300 million divided into 200 million shares with a par value of $1.50 each following the extraordinary general meeting held on February 28, 2022.*

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

# Notes to the unaudited interim condensed consolidated statements

## 1. GENERAL INFORMATION

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 a provider of cable and mobile services dedicated to emerging markets in Latin America. Millicom provides high speed broadband and innovation around The Digital Lifestyle® services through its principal brand, TIGO.

On April 26, 2023, the Board of Directors authorized these unaudited interim condensed consolidated financial statements for issuance.

## 2. SUMMARY OF ACCOUNTING POLICIES

### *I. Basis of presentation*

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 ("IASB") and as adopted by the European Union ("EU"). 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, 2022, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB and in conformity with IFRS as adopted by the EU. These financial statements are prepared in accordance with consolidation and accounting policies consistent with the December 31, 2022 consolidated financial statements, except for the changes described in item IV below.

We have made rounding adjustments to reach some of the figures included in these unaudited interim condensed consolidated financial statements. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them and percentage calculations using these adjusted figures may not result in the same percentage values as are shown in these unaudited interim condensed consolidated financial statements.

### *II. Current macroeconomic environment and its effect on the Group's business activities, financial situation and economic performance*

Over the past year, the global economy has been marked by increased inflation, rising interest rates and slower GDP growth, and these trends have also impacted the markets where the Group operates. As a result, the Group has experienced a generalized softening of consumer demand which has translated into slower service revenue growth, as well as energy and labor cost pressure on margins. This trend began in H2 2022 and has continued throughout Q1 of 2023. Over the past year, the Group has taken meaningful steps to mitigate these impacts, including the implementation of numerous price increases, cost efficiency and investment optimization initiatives which position the Group to sustain positive service revenue and cash flow growth going forward. The Group continues to monitor the developments of the aforementioned events and their potential impact on performance and accounting considerations.

## 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

### *III. New and amended IFRS standards*

The following changes to standards have been adopted by the Group and did not have any significant impact on the Group's accounting policies or disclosures and did not require retrospective adjustments:

- Amendments to IAS 1, 'Disclosure of Accounting Policies' that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.
- IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates.
- Amendments to IAS 12, 'Income Taxes: Deferred tax related to Assets and liabilities arising from a Single Transaction' - These amendments clarify that the initial recognition exception does not apply to the initial recognition of leases and decommissioning obligations. These amendments apply prospectively to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, an entity should apply the amendments for the first time by recognizing deferred tax for all temporary differences related to leases and decommissioning obligations at the beginning of the earliest comparative period presented. The Group has been applying the so-called "Linked transaction approach" in the calculation of deferred taxes related to leases (and ARO) since the adoption of IFRS 16 (in compliance with these amendments). Therefore, the adoption of these amendments did not have an impact for the Group.

The following changes to standards are effective for annual periods starting on January 1, 2024 and their potential impact on the Group consolidated financial statements is currently being assessed by Management:

- Amendments to IFRS 16 'Leases: Lease Liability in a Sale and Leaseback' (not yet endorsed by the EU)- The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.
- Amendments to IAS 1, 'Presentation of Financial Statements' (not yet endorsed by the EU): These amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

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

***Acquisitions for the three-month period ended March 31, 2023***

There were no material acquisitions during the three-month period ended March 31, 2023.

***Acquisitions 2022***

As of June 14, 2022, the Group received the formal notification from the minority shareholders of Cable Onda S.A. confirming the exercise of their put option right to sell their remaining 20% shareholding to Millicom for an amount of approximately $290 million. The transaction closed on June 29, 2022 and the payment was applied against the already recorded put option liability of $290 million.

As a result, the non-controlling interests' carrying value of $78 million have been transferred to the Group's equity.

***Disposals 2022 - Tanzania***

On March 10, 2022, Millicom obtained the final necessary regulatory approvals to sell its operations in Tanzania. The transaction was completed on April 5, 2022 (see note 4).

## 4. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

***Discontinued operations-Tanzania***

As from March 10, 2022, and in accordance with IFRS 5, all assets and liabilities of our operations in Tanzania were classified as held for sale and their results have been removed from the results of continuing operations and are shown as a single line item on the face of the statement of comprehensive income under 'Profit (loss) from discontinued operations, net of tax'.

On April 5, 2022, Millicom completed the sale for an initial cash consideration of approximately $101 million (subject to final price adjustment). The net assets de-consolidated on the date of the disposal amounted to $79 million and the net gain on disposal was calculated at $109 million.

## 5. SEGMENT INFORMATION

Management determines operating and reportable segments based on the reports that are used by the chief operating decision maker to make strategic and operational decisions from both a business and geographic perspective. The Millicom Group's risks and rates of return for its operations were predominantly affected by operating in different geographical regions. Until the divestiture of our Tanzania business, as discussed above, the Millicom Group had businesses in two main regions, Latin America and Africa, which constituted our two reportable segments. As a result of the sale of the Tanzania business and its classification as a discontinued operation, we no longer report an Africa segment in our unaudited condensed consolidated financial statements and will no longer report it in our consolidated financial statements for future periods. The Group now only operates in a single region, Latin America.

As a result, the Group now reports a single segment, called the 'Group Segment', which includes the results of our Latin American operations, and regional and central corporate costs. Group segment figures will continue to include our Honduras joint venture as if it was fully consolidated, as this reflects the way management reviews and uses internally reported information to make decisions about operating matters and to provide increased transparency to investors on those operations.

Revenue, operating profit (loss), EBITDA and other segment information for the three-month periods ended March 31, 2023 and 2022, are shown on the following pages.

## 5. SEGMENT INFORMATION (Continued)

| Three months ended March 31, 2023 (in millions of U.S. dollars) | Group Segment | Honduras (vii) | Eliminations and transfers | Group |
|---|---|---|---|---|
| Mobile revenue | 833 | (112) | — | 721 |
| Cable and other fixed services revenue | 553 | (29) | 2 | 526 |
| Other revenue | 18 | (1) | — | 17 |
| **Service revenue (i)** | **1,403** | **(141)** | **2** | **1,264** |
| Telephone and equipment revenue | 115 | (9) | — | 105 |
| **Revenue** | **1,518** | **(150)** | **2** | **1,369** |
| **Operating profit (loss)** | **210** | **(31)** | **11** | **190** |
| Add back: | | | | |
| Depreciation and amortization | 357 | (27) | — | 331 |
| Share of profit in Honduras joint venture | — | — | (11) | (11) |
| Other operating expenses (income), net | (2) | — | — | (2) |
| **EBITDA (ii)** | **565** | **(58)** | **—** | **507** |
| Capital expenditure (iii) | (310) | 21 | — | (289) |
| Spectrum and licenses paid | (53) | — | — | (53) |
| Changes in working capital and others (iv) | (99) | (12) | — | (111) |
| Taxes paid | (41) | 4 | — | (37) |
| **Operating free cash flow (v)** | **62** | **(45)** | **—** | **17** |
| **Total Assets (vi)** | **14,804** | **(1,072)** | **694** | **14,427** |
| **Total Liabilities** | **11,361** | **(668)** | **103** | **10,795** |

(i) *Service revenue is revenue related to the provision of ongoing services such as monthly subscription fees for mobile and broadband, airtime and data usage fees, interconnection fees, roaming fees, mobile finance service commissions and fees from other telecommunications services such as data services, short message services, installation fees and other value-added services excluding telephone and equipment sales.*

(ii) *EBITDA is operating profit excluding impairment losses, depreciation and amortization and gains/losses on the disposal of fixed assets.*

(iii) *Excluding spectrum and licenses.*

(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.*

(v) *Operating Free Cash Flow is EBITDA less cash capex, less spectrum paid, less change in working capital, other non-cash items (share-based payment expense) and taxes paid. From 2022, the Group changed the definition of Operating Free Cash Flow to include spectrum paid in response to feedback from users of our financial statements who prefer a more comprehensive view of our cash flow generation.*

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

(vii) *Including eliminations for Honduras as reported in the Group Segment.*

## 5. SEGMENT INFORMATION (Continued)

| Three months ended March 31, 2022 (in millions of U.S. dollars) | Group Segment | Honduras (vii) | Eliminations and transfers | Group |
|---|---|---|---|---|
| Mobile revenue | 844 | (107) | — | 737 |
| Cable and other fixed services revenue | 570 | (26) | 1 | 545 |
| Other revenue | 18 | (1) | — | 18 |
| **Service revenue (i)** | **1,432** | **(134)** | **2** | **1,300** |
| Telephone and equipment revenue | 117 | (8) | — | 109 |
| **Revenue** | **1,549** | **(142)** | **2** | **1,408** |
| **Operating profit (loss)** | **256** | **(29)** | **8** | **234** |
| Add back: | | | | |
| Depreciation and amortization | 363 | (26) | — | 337 |
| Share of profit in Honduras joint venture | — | — | (8) | (8) |
| **EBITDA (ii)** | **620** | **(56)** | **—** | **564** |
| EBITDA from discontinued operations | 30 | — | — | 30 |
| **EBITDA incl discontinued operations** | **650** | **(56)** | **—** | **594** |
| Capital expenditure (iii) | (301) | 25 | — | (276) |
| Spectrum and licenses paid | (30) | — | — | (30) |
| Changes in working capital and others (iv) | (124) | — | — | (124) |
| Taxes paid | (65) | 3 | — | (62) |
| **Operating free cash flow (v)** | **129** | **(27)** | **—** | **101** |
| **Total Assets (vi)** | **15,525** | **(1,087)** | **730** | **15,168** |
| **Total Liabilities** | **12,920** | **(669)** | **126** | **12,377** |

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

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

| in millions of U.S. dollars | Three months ended March 31, 2023 | Three months ended March 31, 2022 |
|---|---|---|
| Change in fair value of derivatives (Note 13) | (1) | 8 |
| Change in value of call option and put option liability (Note 3) | 2 | — |
| Exchange gains (losses), net | 17 | (4) |
| Other non-operating income (expenses), net | 1 | — |
| **Total** | **19** | **4** |

## 7. EARNINGS PER COMMON SHARE

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

| in millions of U.S. dollars | Three months ended March 31, 2023 | Three months ended March 31, 2022 (ii) |
|---|---|---|
| **Basic and Diluted** | | |
| Net profit (loss) attributable to equity holders from continuing operations | 3 | 28 |
| Net profit (loss) attributable to equity holders from discontinued operations | — | (5) |
| Net profit (loss) attributable to all equity holders to determine the profit (loss) per share | 3 | 23 |
| | | |
| **in thousands** | | |
| Weighted average number of ordinary shares for basic and diluted earnings per share | 170,908 | 127,721 |
| Potential shares as a result of share-based compensation plans | 492 | 237 |
| Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution (i) | 171,400 | 127,957 |
| | | |
| **in U.S. dollars** | | |
| **Basic** | | |
| Earnings (loss) per common share for profit (loss) from continuing operations attributable to owners of the Company | 0.02 | 0.22 |
| Earnings (loss) per common share for profit (loss) from discontinued operations attributable to owners of the Company | — | (0.04) |
| Earnings (loss) per common share for profit (loss) for the period attributable to owners of the Company | 0.02 | 0.18 |
| **Diluted** | | |
| Earnings (loss) per common share for profit (loss) from continuing operations attributable to owners of the Company | 0.02 | 0.22 |
| Earnings (loss) per common share for profit (loss) from discontinued operations attributable to owners of the Company | — | (0.04) |
| Earnings (loss) per common share for profit (loss) for the period attributable to owners of the Company | 0.02 | 0.18 |

*(i)* *For the purpose of calculating the diluted earnings (loss) per common share, the weighted average outstanding shares used for the basic earnings (loss) per common share were increased only by the portion of the shares which have a dilutive effect on the earnings (loss) per common share.*

*(ii)* *As required by IAS 33 'Earnings per share' the impact of the bonus element included within the rights offering (see note 14) has been included in the calculations of the basic and diluted earnings per share for the current year/period and comparative figures have been re-presented accordingly.*

## 8. 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. As a result of the acquisition of the remaining 45% equity interest in our Guatemala joint venture business in November 12, 2021, our investments in joint ventures comprise solely of Honduras.

At March 31, 2023, the equity accounted net assets of our joint venture in Honduras totaled $403 million (December 31, 2022: $401 million). These net assets do not necessarily represent statutory reserves available for distribution as these include consolidation adjustments (such as goodwill and identified assets and assumed liabilities recognized as part of the purchase accounting). Out of these net assets, $3 million (December 31, 2022: $3 million) represent statutory reserves that are unavailable to be distributed to the Group. During the three-month period ended March 31, 2023, Millicom's joint venture in Honduras repatriated cash of $48 million in the form of management fees, dividend advances and repayment of a shareholder loan (December 31, 2022: $13 million).

At March 31, 2023, Millicom had $85 million payable to Honduras joint venture which were mainly made up of loan advances (December 31, 2022: $48 million). In addition, as of March 31, 2023, Millicom had a total receivable from Honduras of $13 million, (December 31, 2022: $13 million) mainly corresponding to other operating receivables.

## 8. INVESTMENTS IN JOINT VENTURES (Continued)

The table below summarizes the movements for the year in respect of the Group's joint ventures carrying values:

| in millions of U.S. dollars | 2023<br>Honduras (i) |
|---|---|
| **Opening Balance at January 1, 2023** | **590** |
| Results for the period | 11 |
| Dividends declared during the period | (9) |
| Currency exchange differences | 1 |
| **Closing Balance at March 31, 2023** | **592** |

*(i) Share of profit is recognized under 'Share of profit in Honduras joint ventures' in the statement of income for the period ended March 31, 2023.*

## 9. PROPERTY, PLANT AND EQUIPMENT

During the three-month period ended March 31, 2023, Millicom added property, plant and equipment for $154 million (March 31, 2022: $159 million) and received $3 million from disposal of property, plant and equipment (March 31, 2022: $4 million).

## 10. INTANGIBLE ASSETS

During the three-month period ended March 31, 2023, Millicom added intangible assets for $302 million of which $271 million related to spectrum and licenses, and $31 million to additions of other intangible assets (March 31, 2022: $129 million of which $88 million related to an adjustment on spectrum and licenses and $40 million to additions of intangible assets) and did not receive any proceeds from disposal of intangible assets (March 31, 2022: nil).

On February 3, 2023, the Colombian 'Ministerio de Tecnologias de la Informacion y las Comunicaciones' (MINTIC) approved the renewal of the spectrum license related to 1900 Mhz band, which was initially granted on February 3, 2003, for an additional period of 20 years. The total preliminary consideration amounts to COP 1.14 billion (approximately $246 million at March, 31, 2023 exchange rate). While the total acquisition consideration is known, final payment terms and conditions are still under negotiation. Tigo Colombia filed an appeal in that respect and is currently waiting for an answer from MINTIC. As of March 31, 2023, the spectrum license of approximately $259 million - including the estimated cost of bank guarantees of $13 million - has been recorded as an intangible asset with a corresponding liability under 'Payables and accruals for capital expenditure' in the statement of financial position.

## 11. FINANCIAL OBLIGATIONS

### *A. Debt and financing*

The most significant movements in debt and financing for the three-month period ended March 31, 2023 were as follows. When applicable, local currency amounts are translated in USD using the exchange rate at the time of incurrence.

**Colombia**

On January 5, 2023, UNE EPM Telecomunicaciones S.A. issued a COP230 billion (approximately $50 million) bond consisting of two tranches with three and four and a half-year maturities. Interest rates are variable, based on CPI + a margin, and interest is payable in Colombian peso.

**Bolivia**

In February 2023, Tigo Bolivia signed three new bank loan agreements in local currency for a corresponding total amount of approximately $10 million and a repayment period of 5 years.

*Analysis of debt and financing by maturity*

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

| in millions of U.S. dollars | As at March 31, 2023 | As at December 31, 2022 |
|---|---|---|
| Due within: | | |
| One year | 179 | 180 |
| One-two years | 411 | 394 |
| Two-three years | 574 | 564 |
| Three-four years | 1,000 | 777 |
| Four-five years | 1,345 | 1,122 |
| After five years | 3,336 | 3,766 |
| **Total debt and financing** | **6,845** | **6,804** |

The table below describes the outstanding and maximum exposure under guarantees and the remaining terms of the guarantees as at March 31, 2023 and December 31, 2022.

| | Bank and financing guarantees (i) | | Supplier guarantees | |
|---|---|---|---|---|
| in millions of U.S. dollars | As at March 31, 2023 | As at December 31, 2022 | As at March 31, 2023 | As at December 31, 2022 |
| Terms | Outstanding and Maximum exposure | | Outstanding and Maximum exposure(ii) | |
| 0-1 year | 38 | 13 | 2 | 2 |
| 1-3 years | 48 | 70 | — | — |
| 3-5 years | 417 | 418 | — | — |
| **Total** | **502** | **501** | **2** | **2** |

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

*(ii) Guarantee from Tanzania ceased to exist after the completion of the sale of our operations in Tanzania, see note 4.*

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

| in millions of U.S. dollars | Three months ended March 31, 2023 | Three months ended March 31, 2022 |
|---|---|---|
| Interest expense on bonds and bank financing | (116) | (103) |
| Interest expense on leases | (29) | (31) |
| Others | (25) | (9) |
| **Total interest and other financial expenses** | **(170)** | **(143)** |

## 12. 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 March 31, 2023, the total amount of claims brought against Millicom and its subsidiaries is $277 million (December 31, 2022: $239 million). The Group's share of the comparable exposure for its joint venture in Honduras is $13 million (December 31, 2022: $13 million).

As at March 31, 2023, $28 million has been provisioned by its subsidiaries for these risks in the unaudited interim condensed consolidated statement of financial position (December 31, 2022: $25 million). The Group's share of provisions made by the joint venture was $1 million (December 31, 2022: $1 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 March 31, 2023, the tax risks exposure of the Group's subsidiaries is estimated at $225 million, for which provisions of $40 million have been recorded in non-current tax liabilities; representing management's assessment of the probable cash outflow of eventual claims and required payments related to those risks (December 31, 2022: $221 million of which provisions of $38 million were recorded). The Group's share of comparable tax exposure and provisions in its joint venture amounts to $103 million (December 31, 2022: $97 million) and $7 million recorded in non-current liabilities (December 31, 2022: $7 million), respectively.

***Capital commitments***

At March 31, 2023, the Company and its subsidiaries had fixed commitments to purchase network equipment, other fixed assets and intangible assets of $418 million of which $345 million are due within one year (December 31, 2022: $406 million of which $259 million are due within one year). The Group’s share of commitments in its Honduras joint ventures is $20 million of which $20 million are due within one year. (December 31, 2022: $29 million and $29 million respectively).

## 13. FINANCIAL INSTRUMENTS

Other than the items disclosed below, the fair values of financial assets and financial liabilities approximate their carrying values as at March 31, 2023 and December 31, 2022:

| in millions of U.S. dollars | Carrying value | | Fair value (i) | |
|---|---|---|---|---|
| | As at March 31, 2023 | As at December 31, 2022 | As at March 31, 2023 | As at December 31, 2022 |
| Financial liabilities | | | | |
| Debt and financing | 6,845 | 6,804 | 6,171 | 6,327 |

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

***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 2024 SEK 2 billion bond and the foreign currency risk in relation to the 2027 SEK 2.2 billion bond (approximately $211 million and $236 million, respectively, using the exchange rate at the time of the issuance of each bond) senior unsecured sustainability bonds issued in May 2019 and January 2022, respectively) and their maturity dates are May 2024 and January 2027, respectively.

In January 2023, MIC S.A. also entered into two currency swap agreements to hedge an intercompany receivable of COP 206 billion (approximately $41 million) owed by UNE. These swaps are accounted for as cash flow hedges as hedging relationships are highly effective.

The fair value of MIC S.A. swaps, amounts to a liability of $57 million as of March 31, 2023 (December 31, 2022: a liability of $53 million) and are recorded through other comprehensive income.

In 2020 and 2018, respectively, the Group's operations in Colombia and El Salvador 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. On January 12, 2023, the interest rate swap in El Salvador matured, with a settlement payment of $21 thousand (fair value at December 31, 2022:nil) and the fair value of Colombia swaps amounted to an asset of $16 million (December 31, 2022: an asset of $19 million).

## 13. FINANCIAL INSTRUMENTS (Continued)

The net fair value of the derivative financial instruments for the group, as of March 31, 2023 amounted to a liability of $42 million (December 31, 2022: a liability of $34 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 March 31, 2023.

## 14. SUBSEQUENT EVENTS

There are no significant subsequent events to report.