Millicom International Cellular S.A.

Half-year report - June 30, 2021

Contents

Interim Management Report

Purpose

This half-year report for the six-month period ended June 30, 2021 has been prepared in compliance with Article 4 of the Luxembourg Transparency Law of 11 January 2008, and should be read in conjunction with the annual report for the year ended December 31, 2020 (including the financial statements included therein) and the unaudited consolidated condensed interim financial statements included in this half-year report.

Cautionary statement considering forward-looking statements

Statements included herein that are not historical facts, including without limitation statements concerning future strategy, plans, objectives, expectations and intentions, projected financial results, liquidity, growth and prospects, outlook and medium-term goals are forward-looking statements. Such forward-looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, Millicom's results could be materially adversely affected. In particular, there is uncertainty about the spread of the COVID-19 virus and the impact it may have on Millicom's operations, the demand for Millicom's products and services, global supply chains and economic activity in general. The risks and uncertainties include, but are not limited to, the following:

- global economic conditions and foreign exchange rate fluctuations as well as local economic conditions in the markets we serve;
- potential disruption due to diseases, pandemics, political events, piracy or acts by terrorists, including the impact of the recent outbreak of the COVID-19 virus and the ongoing efforts throughout the world to contain it;
- telecommunications usage levels, including traffic and customer growth;
- competitive forces, including pricing pressures, the ability to connect to other operators' networks and our ability to retain market share in the face of competition from existing and new market entrants as well as industry consolidation;
- legal or regulatory developments and changes, or changes in governmental policy, including with respect to the availability of spectrum and licenses, the level of tariffs, tax matters, the terms of interconnection, customer access and international settlement arrangements;
- adverse legal or regulatory disputes or proceedings;
- the success of our business, operating and financing initiatives and strategies, including partnerships and capital expenditure plans;
- the level and timing of the growth and profitability of new initiatives, start-up costs associated with entering new markets, the successful deployment of new systems and applications to support new initiatives;
- relationships with key suppliers and costs of handsets and other equipment;
- our ability to successfully pursue acquisitions, investments or merger opportunities, integrate any acquired businesses in a timely and cost-effective manner and achieve the expected benefits of such transactions;
- the availability, terms and use of capital, the impact of regulatory and competitive developments on capital outlays, the ability to achieve cost savings and realize productivity improvements;
- technological development and evolving industry standards, including challenges in meeting customer demand for new technology and the cost of upgrading existing infrastructure;
- the capacity to upstream cash generated in operations through dividends, royalties, management fees and repayment of shareholder loans; and
- other factors or trends affecting our financial condition or results of operations.

A further list and description of risks, uncertainties and other matters can be found in Millicom's Registration Statement on Form 20-F, including those risks outlined in "Item 3. Key Information—D. Risk Factors," and in Millicom's subsequent U.S. Securities and Exchange Commission filings, all of which are available at www.sec.gov. To the extent COVID-19 adversely affects Millicom's business and financial results, it may also have the effect of heightening many of the risks described in its filings.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. Except to the extent otherwise required by applicable law, we do not undertake any obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

Group performance

Revenue

Group revenue increased 5.9% ($120 million) year-on-year to $2,178 million in H1 2021. The increase is largely due to strong operational results in all business lines and countries, compared to relatively weak performance in H1 2020, at the onset of the pandemic.

Cost of sales

Cost of sales increased at a relatively slower rate of 2.3% ($14 million) year-on-year to $615 million, as higher costs related to increased activity levels were partly offset by the benefit of lower provision for bad debt in H1 2021 compared to H1 2020.

Operating expenses

Operating expenses increased 8.5% ($62 million) year-on-year to $794 million reflecting increased sales and marketing costs to support robust customer growth in H1 2021 as compared to H1 2020 when strict lockdowns significantly curtailed commercial activity.

Depreciation and Amortization

Depreciation decreased 3.3% ($15 million) year-on-year to $428 million, mostly due to network modernization activities which accelerated the depreciation of older infrastructure in 2020. Amortization expense increased 16.3% ($25 million) year-on-year to $182 million reflecting our decision to transition the Cable Onda brand to Tigo in Panama which took effect in April 2021.

Share of profit in joint ventures in Guatemala and Honduras

Millicom's share of profit in the Guatemala and Honduras joint ventures was $129 million in H1 2021, an increase of 63.7% year-on-year mainly due to strong operational performance and lower financing cost stemming from the reduction in debt in Guatemala.

Other operating income (expenses), net

Other operating expenses, net of $37 million decreased by $60 million year-on-year mainly due to the $25 million charge recorded in Q1 2021 as part of the agreement signed to transfer our stake in the AirtelTigo joint venture in Ghana to the Government of Ghana, the $15 million loss on disposal of shares in Helios Towers recorded in Q2 2021 compared to the $15 million gain on disposal of shares of Jumia recorded in Q2 2020.

Financial income/(expense), net

Financial income (expenses), net decreased by $36 million to $272 million. The decrease is mainly due to lower debt levels, following repayment activity over the past year.

Other non-operating (expenses) income, net

Loss from other non-operating items was $18 million in H1 2021 compared to a loss of $136 million in H1 2020. This decrease is due mainly to the mark-to-market revaluation of Jumia and Helios Towers ($63 million loss in H1 2020 compared to $18 million gain from the Helios Towers revaluation in H1 2021), as well as higher exchange losses in H1 2020 (driven by strong currency devaluation in Colombia and Paraguay vs. US dollars) and the revaluation charge of the put option liability in Panama in H1 2021 of $26 million.

Loss from other joint ventures and associates, net

Loss from associates and other joint ventures amounted to $3 million in H1 2021 compared to a loss of $1 million in H1 2020.

Charges for taxes, net

Tax expense was $42 million in H1 2021, decreasing from $49 million in H1 2020 due to lower withholding tax on cash upstream partially offset by higher profitability in the operations of the Group and adjustment on capital allowances in Tanzania.

Loss for the period

Net loss attributable to the owners of the Company was $58 million or $(0.57) per share for H1 2021 compared to a loss of $238 million or $(2.35) per share in H1 2020. Non-controlling interests share of net loss was $27 million in H1 2021 compared to a loss of $32 million in H1 2020, reflecting the share of losses of the Group's partners in the Colombia subsidiary.

Share Capital

At June 30, 2021, Millicom had 101.7 million issued and paid up common shares of par value $1.50 each, of which 179 thousand were held by the Company as treasury shares (2020: 563 thousand). During H1 2021, the Company acquired approximately 101 thousand shares and issued around 449 thousand shares to management and directors as part of director remuneration under the share-based remuneration plans as part of their annual remuneration.

Risks and uncertainty factors

COVID-19 - Qualitative and quantitative assessment on business activities, financial situation and economic performance

Impact on Millicom's markets and business

During H1 2021, economic activity continued to recover gradually in our markets, as most countries continued to ease lockdowns implemented at the beginning of the pandemic, and remittances from the U.S. to Central America sustained double-digit growth. Meanwhile, vaccination rates remained below 25% in all our markets, and some countries experienced spikes in the number of COVID cases during the quarter, but governments generally refrained from imposing strict lockdowns, choosing instead to use curfews primarily around the Easter holiday. As a result, overall mobility trends improved in most countries, except in Colombia due to the impact of nationwide protests during the quarter.

Financial risk management objectives and policies

Millicom's financial risk management policies and objectives remain unchanged compared to what the Group presented in Section D. Financial risk management of the 2020 consolidated financial statements (included in Group's 2020 Annual Report).

Internal controls and risk management in the preparation of the consolidated financial statements are set out in the Governance section from pages 61 to 106 in Millicom's 2020 Annual Report.

Related-Party transactions

Millicom's conducts transactions with certain related parties on normal commercial terms and conditions. Material related party transactions are subject to the review of the audit committee of the Company's board of directors. For further details on Millicom Group's significant related parties please refer to note 12 to our unaudited consolidated condensed interim financial statements included in this half-year report.

Outlook

Our performance during H1 2021 was above pre-Covid levels on most of our operational and financial Key Performance Indicators. Our robust customer and revenue growth is a direct result of our unwavering commitment to delivering the best customer experience, including network quality and reliability. We continue to believe that the long-term opportunity we have been pursuing has likely been enhanced by latest events, and we are leaving unchanged our medium term goals to deliver mid-single-digit organic service revenue growth, mid-to-high single-digit EBITDA growth, and around 10% OCF (EBITDA less Capex) growth.

Subsequent events

On July 29, 2021, we announced the launch of a share repurchase program of up to the lower of SEK 870 million (approximately $100 million) in aggregate purchase price, or 5 million Swedish Depository Receipts until the next AGM in May 2022.

/s/ José Antonio Ríos García

Chairman of the Board of Directors

Luxembourg, July 29, 2021

Responsibility Statement

The Board of Directors and the executive management of the company reaffirm their responsibility to ensure the maintenance of proper accounting records disclosing the consolidated financial position of the Group with reasonable accuracy at any time, and ensuring that an appropriate system of internal controls is in place to ensure that the Group's business operations are carried on efficiently and transparently.

In accordance with Article 4 of the law of January 11, 2008 on transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, Millicom declares that, to the best of our knowledge, the interim condensed consolidated financial statements for the six-month period ended June 30, 2021, prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted for use in the European Union, give a true and fair view of the assets, liabilities, financial position and results of the interim period.

In addition, management's report includes a fair review of the development and performance of the Group's operations during the interim period and of business risks, where appropriate, faced by the Group.

Signed on July 29, 2021

On behalf of Millicom International Cellular S.A., by:

/s/ Mauricio Ramos
Chief Executive Officer

/s/ Tim Pennington
Chief Financial Officer

Report on review of interim condensed consolidated financial statements

To the Shareholders,
Millicom International Cellular S.A.
2, rue du Fort Bourbon
L – 1249 - Luxembourg

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Millicom International Cellular S.A. as of 30 June 2021, which comprise the interim condensed consolidated statement of financial position as at 30 June 2021 and the related interim condensed consolidated statement of income, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity, the interim condensed consolidated statement of cash flow for the six-month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* as adopted by the European Union ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union.

Ernst & Young
Société anonyme
Cabinet de révision agréé

/s/
Bruno di Bartolomeo

Luxembourg, 29 July 2021

Unaudited interim condensed consolidated statement of income for the three- and six-month periods ended June 30, 2021

in millions of U.S. dollars except per share data	Notes	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Continuing Operations					
Revenue	4	2,178	2,057	1,089	970
Cost of sales		(615)	(601)	(312)	(296)
Gross profit		**1,563**	**1,456**	**777**	**673**
Operating expenses		(794)	(731)	(403)	(330)
Depreciation		(428)	(443)	(211)	(220)
Amortization		(182)	(157)	(75)	(84)
Share of profit in the joint ventures in Guatemala and Honduras	7	129	79	67	34
Other operating income (expenses), net	14, 15	(37)	23	(20)	20
Operating profit	4	**250**	**226**	**135**	**93**
Interest and other financial expenses	10	(277)	(316)	(130)	(169)
Interest and other financial income		5	7	2	2
Other non-operating (expenses) income, net	5	(18)	(136)	(75)	22
Profit (loss) from other joint ventures and associates, net		(3)	(1)	(2)	(1)
Profit (loss) before taxes from continuing operations		**(43)**	**(220)**	**(69)**	**(53)**
Tax (charge) credit, net		(42)	(49)	(39)	(65)
Profit (loss) from continuing operations		**(84)**	**(269)**	**(108)**	**(118)**
Profit (loss) from discontinued operations, net of tax	4	—	(1)	—	(1)
Net profit (loss) for the period		**(85)**	**(270)**	**(108)**	**(119)**
Attributable to:					
Owners of the Company		(58)	(238)	(100)	(115)
Non-controlling interests		(27)	(32)	(8)	(4)
Earnings/ (Loss) per common share for net profit/ (loss) attributable to the owners of the Company:					
Basic and Diluted ($ per share) (i)	6	(0.57)	(2.35)	(0.98)	(1.14)

(i) There are no dilutive potential ordinary shares

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- and six-month periods June 30, 2021

in millions of U.S. dollars	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Net profit (loss) for the period	(85)	(270)	(108)	(119)
Other comprehensive income (to be reclassified to statement of income in subsequent periods), net of tax:				
Exchange differences on translating foreign operations	(29)	(74)	18	25
Change in value of cash flow hedges, net of tax effects	10	(6)	5	13
Total comprehensive income (loss) for the period	**(104)**	**(349)**	**(85)**	**(82)**
Attributable to				
Owners of the Company	(73)	(301)	(78)	(84)
Non-controlling interests	(32)	(48)	(7)	3
Total comprehensive income for the period arises from:				
Continuing operations	(104)	(349)	(85)	(81)
Discontinued operations	—	(1)	—	(1)

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 June 30, 2021

in millions of U.S. dollars	Notes	June 30, 2021	December 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Intangible assets, net	9	3,202	3,403
Property, plant and equipment, net	8	2,571	2,755
Right of use assets		836	895
Investments in joint ventures	7	2,580	2,642
Investments in associates		23	24
Contract costs, net		5	5
Deferred tax assets		193	197
Derivative financial instruments	13	23	27
Amounts due from non-controlling interests, associates and joint ventures	12	38	90
Other non-current assets		73	77
TOTAL NON-CURRENT ASSETS		**9,545**	**10,114**
CURRENT ASSETS			
Inventories		60	37
Trade receivables, net		346	351
Contract assets, net		32	31
Amounts due from non-controlling interests, associates and joint ventures	12	47	206
Prepayments and accrued income		195	149
Current income tax assets		83	96
Supplier advances for capital expenditure		21	21
Equity investments	14	—	160
Other current assets		185	181
Restricted cash		187	199
Cash and cash equivalents		803	875
TOTAL CURRENT ASSETS		**1,960**	**2,307**
Assets held for sale		—	1
TOTAL ASSETS		**11,506**	**12,422**

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 June 30, 2021 (continued)

in millions of U.S. dollars	Notes	June 30, 2021	December 31, 2020
EQUITY AND LIABILITIES			
EQUITY			
Share capital and premium		628	630
Treasury shares		(10)	(30)
Other reserves		(597)	(562)
Retained profits		2,024	2,365
Profit (loss) for the period/year attributable to equity holders		(58)	(344)
Equity attributable to owners of the Company		**1,987**	**2,059**
Non-controlling interests		181	215
TOTAL EQUITY		**2,168**	**2,274**
LIABILITIES			
NON-CURRENT LIABILITIES			
Debt and financing	10	5,290	5,578
Lease liabilities	10	851	897
Derivative financial instruments	13	1	14
Amounts due to non-controlling interests, associates and joint ventures	12	1	29
Payables and accruals for capital expenditure		438	485
Provisions and other non-current liabilities		305	328
Deferred tax liabilities		162	209
TOTAL NON-CURRENT LIABILITIES		**7,049**	**7,540**
CURRENT LIABILITIES			
Debt and financing	10	106	113
Lease liabilities	10	129	123
Put option liability	13	285	262
Derivative financial instruments		3	1
Payables and accruals for capital expenditure		225	345
Other trade payables		242	334
Amounts due to non-controlling interests, associates and joint ventures	12	153	311
Accrued interest and other expenses		459	445
Current income tax liabilities		88	71
Contract liabilities		88	90
Provisions and other current liabilities		509	511
TOTAL CURRENT LIABILITIES		**2,289**	**2,608**
TOTAL LIABILITIES		**9,338**	**10,148**
TOTAL EQUITY AND LIABILITIES		**11,506**	**12,422**

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 six-month period ended June 30, 2021

in millions of U.S. dollars	Notes	June 30, 2021	June 30, 2020
Cash flows from operating activities (including discontinued operations)			
Profit (loss) before taxes from continuing operations		(43)	(220)
Profit (loss) before taxes from discontinued operations	4	—	(1)
Profit (loss) before taxes		**(43)**	**(221)**
Adjustments to reconcile to net cash:			
Interest expense on leases		76	78
Interest expense on debt and other financing		202	238
Interest and other financial income		(5)	(7)
Adjustments for non-cash items:			
Depreciation and amortization	4	610	599
Share of net profit in Guatemala and Honduras joint ventures		(129)	(79)
Loss/ (Gain) on disposal and impairment of assets, net		37	(22)
Share based compensation		4	14
Loss from other joint ventures and associates, net		3	1
Other non-cash non-operating (income) expenses, net	5	18	136
Changes in working capital:			
Decrease (increase) in trade receivables, prepayments and other current assets, net		(94)	(104)
Decrease (increase) in inventories		(25)	(6)
Increase (decrease) in trade and other payables, net		(73)	4
Increase (decrease) in contract assets, liabilities and costs, net		(1)	4
Total changes in working capital		**(193)**	**(102)**
Interest paid on leases		(69)	(74)
Interest paid on debt and other financing		(183)	(204)
Interest received		2	8
Taxes paid		(50)	(43)
Net cash provided by operating activities		**280**	**324**
Cash flows from (used in) investing activities (including discontinued operations):			
Acquisition of subsidiaries, joint ventures and associates, net of cash acquired		(3)	3
Proceeds from disposal of subsidiaries and associates, net of cash disposed		15	18
Purchase of intangible assets and licenses	9	(103)	(166)
Purchase of property, plant and equipment	8	(330)	(302)
Proceeds from sale of property, plant and equipment	8	4	1
Proceeds from disposal of equity investments, net of costs	14	163	89
Dividends and dividend advances received from joint ventures	7	13	58
Cash provided by other investing activities, net		11	15
Net cash used in investing activities		**(228)**	**(284)**

Unaudited interim condensed consolidated statement of cash flows for the six-month period ended June 30, 2021 (continued)

Cash flows from financing activities(including discontinued operations):			
Proceeds from debt and other financing	10	172	797
Repayment of debt and other financing	10	(412)	(723)
Loan repayment from (advance to) joint venture	12	193	—
Lease capital repayment		(62)	(53)
Advances and dividends paid to non-controlling interests		(6)	(2)
Share repurchase program		—	(10)
Net cash provided by (used in) financing activities		**(116)**	**9**
Exchange impact on cash and cash equivalents, net		(7)	(26)
Net (decrease) increase in cash and cash equivalents		**(72)**	**23**
Cash and cash equivalents at the beginning of the year		875	1,164
Cash and cash equivalents at the end of the period		**803**	**1,186**

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 six-month periods ended June 30, 2021 and June 30, 2020

in millions of U.S. dollars	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, 2019	**101,739**	**(581)**	**153**	**480**	**(51)**	**2,372**	**(544)**	**2,410**	**271**	**2,680**
Total comprehensive income for the period	—	—	—	—	—	(238)	(63)	(301)	(48)	(349)
Dividends to non controlling interests	—	—	—	—	—	—	—	—	(5)	(5)
Purchase of treasury shares (ii)	—	(463)	—	—	(19)	3	—	(16)	—	(16)
Share based compensation	—	—	—	—	—	—	13	13	1	14
Issuance of shares under share-based payment schemes	—	480	—	(2)	38	(10)	(25)	—	—	—
Balance on June 30, 2020	**101,739**	**(563)**	**153**	**478**	**(32)**	**2,127**	**(620)**	**2,106**	**219**	**2,325**
Balance on December 31, 2020	**101,739**	**(526)**	**153**	**478**	**(30)**	**2,020**	**(562)**	**2,059**	**215**	**2,274**
Total comprehensive income for the period	—	—	—	—	—	(58)	(15)	(73)	(32)	(104)
Dividends to non controlling interests	—	—	—	—	—	—	—	—	(3)	(3)
Purchase of treasury shares (ii)	—	(101)	—	—	(6)	2	—	(4)	—	(4)
Share based compensation	—	—	—	—	—	—	4	4	1	4
Issuance of shares under share-based payment schemes	—	449	—	(2)	26	2	(24)	1	—	1
Balance on June 30, 2021	**101,739**	**(179)**	**153**	**476**	**(10)**	**1,966**	**(597)**	**1,987**	**181**	**2,168**

(i) *Retained profits – includes profit for the year attributable to equity holders, of which at June 30, 2021, $307 million (2020: $304 million) are not distributable to equity holders.*

(ii) *During the six-month period ended June 30, 2020, Millicom repurchased 350,000 shares for a total amount of $10 million and withheld approximately 113,000 shares for settlement of tax obligations, on behalf of employees under share-based compensation plans. For the six-month period ended June 30, 2021, the amount presented corresponds only to withheld shares.*

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

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 and Africa. Millicom provides high speed broadband and innovation around The Digital Lifestyle® services through its principal brand, TIGO.

On July 28, 2021, 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, 2020, 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, 2020 consolidated financial statements, except for the changes described 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. COVID-19 - Qualitative and quantitative assessment on business activities, financial situation and economic performance

Impact on Millicom's markets and business

During H1 2021, economic activity continued to recover gradually in our markets, as most countries continued to ease lockdowns implemented at the beginning of the pandemic, and remittances from the U.S. to Central America sustained double-digit growth. Meanwhile, vaccination rates remained below 25% in all our markets, and some countries experienced spikes in the number of COVID cases during the quarter, but governments generally refrained from imposing strict lockdowns, choosing instead to use curfews primarily around the Easter holiday. As a result, overall mobility trends improved in most countries, except in Colombia due to the impact of nationwide protests during the quarter.

Impact of the crisis on accounting matters

As a consequence of this crisis, Millicom identified potential significant accounting implications in the following areas in previous quarters:

- Impairment of non-financial assets/goodwill/investments in joint ventures
- Impairment of trade receivables
- Revenue recognition

As of June 30, 2021, and for the six-month period ended June 30, 2021, the above accounting areas have not been significantly affected.

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

II. 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:

- Amendment to IFRS 16, 'Leases' - COVID 19 Rent Concessions - effective for annual periods starting on June 1, 2020. While the Group has implemented this amendment already in 2020, the IASB (in March 2021) extended its initial application beyond June 30, 2021, by one additional year (extension not yet endorsed by the EU and not early adopted by the Group).
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform - Phase 2 - effective for annual periods starting on January 1, 2021. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate.

  Main reliefs provided by the Phase 2 amendments relate to:

  - Changes to contractual cash flows: That is, when changing the basis for determining contractual cash flows for financial assets and liabilities required by the reform this will not result in an immediate gain or loss in the income statement but in an update of the effective interest rate (or an update in the discount rate to remeasure the lease liability as a result of the IBOR reform), and;
  - Hedge accounting: That is, allowing hedge relationships that are directly affected by the reform to continue, though additional ineffectiveness might need to be recorded.

The following changes to standards not yet effective are not expected to materially affect the Group:

- Amendments effective for annual periods starting on January 1, 2022:
  - IFRS 3 'Business Combinations' - Reference to Conceptual Framework.
  - IAS 16 'Property, Plant and Equipment' - Proceeds before intended use.
  - IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Cost of fulfilling a contract.
  - Annual improvements to IFRS Standards 2018-2020, affecting IFRS 1, IFRS 9, IFRS 16 and IAS 41.
- Amendments effective for annual periods starting on January 1, 2023 (not yet endorsed by the EU):
  - Amendments to IAS 1, 'Presentation of Financial Statements' : These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The IASB also issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.
  - IFRS 17, 'Insurance contracts', including amendments.
  - 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 transitions 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 recognising deferred tax for all temporary differences related to leases and decommissioning obligations at the beginning of the earliest comparative period presented.

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

Acquisitions for the six-month periods ended June 30, 2021 and 2020

There were no material acquisitions or disposals during the six-month periods ended June 30, 2021 and 2020.

4. 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. Millicom is allocating corporate costs to each segment based on their contribution to underlying revenue, and only non-recurring costs - such as M&A related costs-, remain as unallocated. 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. The joint venture in Ghana is not reported as if fully consolidated.

Revenue, operating profit (loss), EBITDA and other segment information for the six-month periods ended June 30, 2021 and 2020, are as follows:

Six-months ended June 30, 2021 (in millions of U.S. dollars)	**Latin America**	**Africa**	**Unallocated**	**Guatemala and Honduras(vii)**	**Eliminations and Transfers**	**Total**
Mobile revenue	1,669	173	—	(758)	—	1,084
Cable and other fixed services revenue	1,128	4	—	(177)	(1)	955
Other revenue	34	—	—	(3)	(1)	30
Service revenue (i)	**2,831**	**178**	**—**	**(938)**	**(2)**	**2,069**
Telephone and equipment and other revenue (i)	244	—	—	(135)	—	109
Revenue	**3,076**	**178**	**—**	**(1,074)**	**(2)**	**2,178**
Operating profit (loss)	**471**	**18**	**(44)**	**(324)**	**129**	**250**
Add back:						
Depreciation and amortization	788	42	6	(226)	—	610
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(129)	(129)
Other operating income (expenses), net	(1)	—	37	1	—	37
EBITDA (ii)	**1,258**	**61**	**—**	**(549)**	**—**	**769**
EBITDA from discontinued operations	—	—	—	—	—	—
EBITDA incl discontinued operations	**1,258**	**61**	**—**	**(549)**	**—**	**769**
Capital expenditure (iii)	(500)	(22)	(5)	119	—	(407)
Changes in working capital and others (iv)	(203)	12	2	—	—	(188)
Taxes paid	(124)	(7)	(4)	84	—	(50)
Operating free cash flow (v)	**431**	**44**	**(6)**	**(346)**	**—**	**123**
Total Assets (vi)	**12,381**	**877**	**3,719**	**(4,701)**	**(771)**	**11,506**
Total Liabilities	**8,024**	**906**	**2,944**	**(1,755)**	**(782)**	**9,338**

4. SEGMENT INFORMATION (Continued)

Six-months ended June 30, 2020 (in millions of U.S. dollars)	Latin America	Africa	Unallocated	Guatemala and Honduras (vii)	Eliminations and transfers	Total
Mobile revenue	1,593	171	—	(718)	—	1,046
Cable and other fixed services revenue	1,045	4	—	(146)	—	903
Other revenue	28	—	—	(3)	—	25
Service revenue (i)	**2,665**	**175**	**—**	**(867)**	**—**	**1,973**
Telephone and equipment revenue (i)	200	—	—	(115)	—	84
Revenue	**2,865**	**175**	**—**	**(981)**	**—**	**2,057**
Operating profit (loss)	**371**	**14**	**13**	**(250)**	**79**	**226**
Add back:						
Depreciation and amortization	775	45	6	(227)	—	599
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(79)	(78)
Other operating income (expenses), net	(3)	—	(19)	—	—	(23)
EBITDA (ii)	**1,144**	**59**	**(1)**	**(477)**	**—**	**725**
EBITDA from discontinued operations	—	—	—	—	—	—
EBITDA incl discontinued operations	**1,144**	**59**	**(1)**	**(477)**	**—**	**725**
Capital expenditure (iii)	(469)	(19)	(5)	118	—	(376)
Changes in working capital and others (iv) (viii)	34	—	(103)	(19)	—	(89)
Taxes paid	(95)	(5)	(1)	58	—	(43)
Operating free cash flow (v)	**613**	**35**	**(110)**	**(321)**	**—**	**217**
Total Assets (vi)	**13,706**	**916**	**4,562**	**(5,292)**	**(1,335)**	**12,557**
Total Liabilities	**9,140**	**938**	**3,921**	**(2,172)**	**(1,595)**	**10,232**

4. SEGMENT INFORMATION (Continued)

Three months ended June 30, 2021 (in millions of U.S. dollars)	Latin America	Africa	Unallocated	Guatemala and Honduras (vii)	Eliminations and transfers	Total
Mobile revenue	836	86	—	(379)	—	543
Cable and other fixed services revenue	565	2	—	(92)	—	475
Other revenue	17	—	—	(1)	(1)	15
Service revenue (i)	**1,419**	**89**	**—**	**(472)**	**(1)**	**1,034**
Telephone and equipment revenue (i)	126	—	—	(71)	—	55
Revenue	**1,545**	**89**	**—**	**(544)**	**(1)**	**1,089**
Operating profit (loss)	**241**	**9**	**(18)**	**(165)**	**67**	**135**
Add back:						
Depreciation and amortization	375	21	3	(113)	—	286
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(67)	(67)
Other operating income (expenses), net	4	—	16	1	—	20
EBITDA (ii)	**620**	**30**	**1**	**(276)**	**—**	**375**
EBITDA from discontinued operations	—	—	—	—	—	—
EBITDA incl discontinued operations	**620**	**30**	**1**	**(276)**	**—**	**375**
Capital expenditure (iii)	(218)	(12)	(3)	57	—	(175)
Changes in working capital and others (iv)	(48)	18	3	10	—	(18)
Taxes paid	(93)	(2)	(1)	55	—	(41)
Operating free cash flow (v)	**261**	**34**	**—**	**(154)**	**—**	**141**

4. SEGMENT INFORMATION (Continued)

Three months ended June 30, 2020 (in millions of U.S. dollars)	Latin America	Africa	Unallocated	Guatemala and Honduras (vii)	Eliminations and transfers	Total
Mobile revenue	750	84	—	(345)	—	490
Cable and other fixed services revenue	506	2	—	(73)	—	435
Other revenue	14	—	—	(2)	—	12
Service revenue (i)	**1,270**	**86**	**—**	**(419)**	**—**	**937**
Telephone and equipment revenue (i)	90	—	—	(57)	—	33
Revenue	**1,360**	**86**	**—**	**(476)**	**—**	**970**
Operating profit (loss)	**152**	**7**	**16**	**(116)**	**34**	**93**
Add back:						
Depreciation and amortization	392	22	3	(113)	—	304
Share of profit in joint ventures in Guatemala and Honduras	—	—	—	—	(34)	(34)
Other operating income (expenses), net	(1)	—	(19)	—	—	(20)
EBITDA (ii)	**544**	**29**	**—**	**(229)**	**—**	**343**
EBITDA from discontinued operations	—	—	—	—	—	—
EBITDA incl discontinued operations	**544**	**29**	**—**	**(229)**	**—**	**343**
Capital expenditure (iii)	(185)	(9)	(1)	51	—	(144)
Changes in working capital and others (iv) (viii)	98	—	(44)	(19)	—	35
Taxes paid	(62)	(2)	—	32	—	(32)
Operating free cash flow (v)	**395**	**19**	**(46)**	**(165)**	**—**	**202**

(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, installation fees 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-recurring 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.*

(iii) *Excluding spectrum and licenses of $21 million (2020: $91 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.*

(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 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) *Represented for an intercompany transaction between Latin America and HQ*

4. SEGMENT INFORMATION (Continued)

Revenue from contracts with customers from continuing operations

in millions of U.S. dollars	Timing of revenue recognition	Six-months ended June 30, 2021			Six-months ended June 30, 2020			Three months ended June 30, 2021			Three months ended June 30, 2020		
		Latin America	Africa	Total Group	Latin America	Africa	Total Group	Latin America	Africa	Total Group	Latin America	Africa	Total Group
Mobile	Over time	894	111	1,005	861	117	977	448	55	503	398	57	455
Mobile Financial Services	Point in time	18	62	79	14	53	68	9	31	40	8	27	34
Cable and other fixed services	Over time	950	4	955	899	4	903	473	2	475	433	2	435
Other	Over time	29	—	30	24	—	25	16	—	16	12	—	12
Service Revenue		**1,891**	**178**	**2,069**	**1,798**	**175**	**1,973**	**945**	**89**	**1,034**	**851**	**86**	**937**
Telephone and equipment	Point in time	109	—	109	85	—	85	55	—	55	33	—	33
Revenue from contracts with customers		**2,000**	**178**	**2,178**	**1,883**	**175**	**2,057**	**1,001**	**89**	**1,089**	**884**	**86**	**970**

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

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

in millions of U.S. dollars	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Change in fair value of derivatives (Note 13)	2	(6)	2	(6)
Change in fair value in investment in Jumia (Note 14)	—	(18)	—	—
Change in fair value in investment in Helios Towers (Note 14)	18	(45)	—	16
Change in value of call option and put option liability (Note 13)	(26)	8	(27)	(1)
Exchange gains (losses), net	(14)	(78)	(51)	12
Other non-operating income (expenses), net	2	2	1	1
Total	**(18)**	**(136)**	**(75)**	**22**

6. 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	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Basic and Diluted				
Net profit (loss) attributable to equity holders from continuing operations	(58)	(237)	(100)	(114)
Net profit (loss) attributable to equity holders from discontinued operations	—	(1)	—	(1)
Net profit/(loss) attributable to all equity holders to determine the basic earnings (loss) per share	(58)	(238)	(100)	(115)
in thousands				
Weighted average number of ordinary shares for basic and diluted earnings per share	101,439	101,136	101,542	101,149
in U.S. dollars				
Basic and diluted				
EPS from continuing operations attributable to owners of the Company	(0.57)	(2.34)	(0.98)	(1.13)
EPS from discontinued operations attributable to owners of the Company	—	(0.01)	—	(0.01)
EPS for the period attributable to owners of the Company	(0.57)	(2.35)	(0.98)	(1.14)

7. 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 June 30, 2021, the carrying value of the Group's investment in AirtelTigo Ghana joint venture is zero and is therefore not shown in the table below (see note 15 for further details on the disposal of our stake in the AirtelTigo joint venture in Ghana)..

At June 30, 2021, the equity accounted net assets of Millicom's joint ventures in Guatemala and Honduras totaled $2,946 million (December 31, 2020: $3,072 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 a total reserve of $297 million (December 31, 2020: $278 million), $164 million (December 31, 2020: $153 million) represent statutory reserves that are unavailable to be distributed to the Group. During the six-month period ended June 30, 2021, Millicom's joint ventures paid $13 million as dividends or dividend advances to the Company (December 31, 2020: $71 million).

	2021	
in millions of U.S. dollars	Guatemala(i)	Honduras (i)
Opening Balance at January 1, 2021	**2,031**	**610**
Results for the period	110	19
Dividends declared during the period	(201)	—
Currency exchange differences	3	8
Closing Balance at June 30, 2021	**1,943**	**637**

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

8. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended June 30, 2021, Millicom added property, plant and equipment of $261 million (June 30, 2020: $240 million) and received $4 million from disposal of property, plant and equipment (June 30, 2020: $1 million).

9. INTANGIBLE ASSETS

During the six-month period ended June 30, 2021, Millicom added intangible assets of $34 million of which $(14) million related to a remeasurement of spectrum and licenses, and $48 million to additions of other intangible assets (June 30, 2020: $463 million out of which $420 million related to spectrum and licenses and $44 million to additions of intangible assets) and did not receive any proceeds from disposal of intangible assets (June 30, 2020: nil).

10. FINANCIAL OBLIGATIONS

Debt and financing

The most significant movements in debt and financing for the six-month period ended June 30, 2021 were as follows:

Luxembourg

On February 22, 2021, Millicom redeemed 10% of the principal outstanding of its Notes due 2026, 2028 and 2029 at a price of 103%. This redemption follows Millicom's announcement dated February 11, 2021. Total consideration of approximately $180 million was funded from cash, consistent with the Company's decision to prioritize debt reduction. The redemption premium of $5 million and the accelerated amortization of the upfront costs of $3 million, have been recorded in the line "Interest and other financial expenses" in the statement of income during the six-month period ended June 30, 2021.

Colombia

On February 16, 2021, UNE EPM Telecomunicaciones S.A. issued under the approved local bond program, a COP 485,680 million bond (approximately $138 million using the transaction date exchange rate) with 3 maturities; Series 7 years at 5.56% fixed rate, Series 10 years at CPI plus 2.61% and Series 15 years at CPI plus 3.18% margin. With the aim to improve UNE's natural hedge against local currency, the bond proceeds were used on March 26, 2021 to partially repay 50% of the $300 million syndicated loan of Colombia Movil S.A. (originally due in December 2024).

Panama

In November 2020, Cable Onda executed an agreement with Bank of Nova Scotia for $110 million, which were disbursed in two tranches. The first tranche of $85 million was disbursed in December 2020, and on March 1, 2021 the second and final tranche ($25 million) was disbursed to Cable Onda.

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 June 30, 2021	As at December 31, 2020
Due within:		
One year	106	113
One-two years	360	107
Two-three years	484	439
Three-four years	502	811
Four-five years	356	467
After five years	3,589	3,755
Total debt and financing	**5,397**	**5,691**

As at June 30, 2021, the Group's share of total debt and financing secured by either pledged assets, pledged deposits issued to cover letters of credit or guarantees was $300 million (December 31, 2020: $287 million).

The table below describes the outstanding and maximum exposure under guarantees and the remaining terms of the guarantees as at June 30, 2021 and December 31, 2020.

	Bank and financing guarantees (i)		**Supplier's guarantees**	
in millions of U.S. dollars	**As at June 30, 2021**	**As at December 31, 2020**	**As at June 30, 2021**	**As at December 31, 2020**
Terms	**Outstanding and Maximum exposure**		**Outstanding and Maximum exposure**	
0-1 year	74	59	90	—
1-3 years	226	227	—	—
3-5 years	—	—	—	—
Total	**300**	**287**	**90**	**—**

(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:

in millions of U.S. dollars	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Interest expense on bonds and bank financing	(167)	(195)	(81)	(98)
Interest expense on leases	(76)	(78)	(36)	(39)
Early redemption charges	(5)	—	—	—
Other	(30)	(43)	(13)	(32)
Total interest and other financial expenses	**(277)**	**(316)**	**(130)**	**(169)**

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 June 30, 2021, the total amount of claims brought against Millicom and its subsidiaries is $260 million (December 31, 2020: $288 million). The Group's share of the comparable exposure for joint ventures is $19 million (December 31, 2020: $14 million).

As at June 30, 2021, $43 million has been provisioned by its subsidiaries for these risks in the consolidated statement of financial position (December 31, 2020: $45 million). The Group's share of provisions made by the joint ventures was $3 million (December 31, 2020: $3 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 June 30, 2021, the tax risks exposure of the Group's subsidiaries is estimated at $336 million, for which provisions of $74 million have been recorded in tax liabilities; representing the probable amount of eventual claims and required payments related to those risks (December 31, 2020: $339 million of which provisions of $77 million were recorded). The Group's share of comparable tax exposure and provisions in its joint ventures amounts to $79 million (December 31, 2020: $69 million) and $6 million (December 31, 2020: $7 million), respectively.

Capital commitments

At June 30, 2021, the Company and its subsidiaries had fixed commitments to purchase network equipment, other fixed assets and intangible assets of $678 million of which $500 million are due within one year (December 31, 2020: $564 million of which $400 million are due within one year). The Group's share of commitments in the joint ventures is $19 million and $19 million. (December 31, 2020: $69 million and $52 million).

12. RELATED PARTY TRANSACTIONS

The following transactions were conducted with related parties:

in millions of U.S. dollars	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Expenses				
Purchases of goods and services from Miffin	(100)	(104)	(51)	(50)
Purchases of goods and services from EPM	(19)	(18)	(9)	(9)
Other expenses	(10)	(6)	(5)	(2)
Total	**(129)**	**(128)**	**(65)**	**(61)**

in millions of U.S. dollars	Six-months ended June 30, 2021	Six-months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020
Income / gains				
Sale of goods and services to Miffin	178	155	89	77
Sale of goods and services to EPM	7	7	4	4
Other income / gains	1	1	—	—
Total	**186**	**163**	**92**	**81**

The Group had the following balances with related parties:

in millions of U.S. dollars	As at June 30, 2021	As at December 31, 2020
Liabilities		
Payables to Guatemala joint venture(i)	46	231
Payables to Honduras joint venture(ii)	104	103
Payables to EPM	17	20
Payables to Panama non-controlling interests	1	1
Other accounts payable	1	1
Total	**168**	**356**

(i) *Interest bearing shareholder loans of which $1 million are due after more than one year.*

(ii) *Mainly advances for dividends expected to be declared in 2021*

12. RELATED PARTY TRANSACTIONS (Continued)

in millions of U.S. dollars	As at June 30, 2021	As at December 31, 2020
Assets		
Receivables from Guatemala joint venture(i)	9	206
Receivables from Honduras joint venture	70	84
Receivables from EPM	3	3
Receivables from Panama non-controlling interests	1	1
Other accounts receivable	5	5
Total	**89**	**299**

(i) As of June 30, 2021 , the Guatemala joint venture has prepaid the entire $193 million Millicom 's shareholder loan granted in October 2020 and originally repayable by January 13, 2022, at the latest.

13. FINANCIAL INSTRUMENTS

Other than the items disclosed below, the fair values of financial assets and financial liabilities approximate their carrying values as at June 30, 2021 and December 31, 2020:

in millions of U.S. dollars	Carrying value		Fair value	
	As at June 30, 2021	As at December 31, 2020	As at June 30, 2021	As at December 31, 2020
Financial liabilities				
Debt and financing	5,397	5,691	5,600	5,572

(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 SEK 2 billion (approximately $234 million) senior unsecured sustainability bond issued in May 2019. 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 June 30, 2021, the fair values of the swaps amount to an asset of $16 million (December 31, 2020: an asset of $23 million).

Colombia, El Salvador and Costa Rica operations have 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 June 30, 2021, the fair value of El Salvador swaps amount to a liability of $2 million (December 31, 2020: a liability of $3 million), Costa Rica swaps amount to a liability of $2 million (December 31, 2020: liability of $5 million and asset of $1 million) and the fair value of Colombia swap amounts to an asset of $8 million (December 31, 2020: a liability of $7 million).

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

Call and put options - Panama

As of June 30, 2021, the put option liability is valued at $285 million (December 31, 2020: $262 million) being the higher of the value of the "Transaction price" put option and fair market value- for further details refer to the Group's 2020 consolidated financial statements. Changes in the value of the put option liability are recorded in the Group's statement of income under "other non-operating (expenses) income, net" (see note 5).

The call option, having a strike price at initial Transaction price +10% interest p.a (exercisable from June 14, 2022 to July 14, 2022), has been valued at $0.2 million.

There are no other derivative financial instruments with a significant fair value at June 30, 2021.

14. EQUITY INVESTMENTS

As at June 30, 2021 and December 31, 2020, Millicom has the following investments in equity instruments measured at fair value through profit and loss under IFRS 9:

in millions of U.S. dollars	June 30, 2021	December 31, 2020
Investment in HT	—	160
Equity investment - total	**—**	**160**

During June 2021, Millicom disposed of its remaining 76 million shares it owned in HT for a total net consideration of GBP 115 million ($163 million), triggering a net loss on disposal of $15 million, recorded under 'other operating income (expenses), net'. In total, starting June 2020, Millicom sold 162 million shares it held in HT, yielding total proceeds of GBP 244 million ($383 million). Following these disposals, Millicom has no remaining ownership in HT. Before fully divesting HT, the changes in fair value were shown under 'Other non-operating (expenses) income, net' (see note 5).

In the course of June 2020, Millicom disposed of its entire stake in Jumia (approximately 6%) for a total net consideration of $29 million, triggering a net gain on disposal of $15 million recorded in the statement of income for the three-month period ended June 30, 2020 under 'other operating income (expenses), net'.

15. MILLICOM'S OPERATIONS IN AFRICA

Africa divestiture

On April 19, 2021, Millicom agreed to sell its entire operations in Tanzania to a consortium led by Axian, a pan-African group that was part of the consortium that acquired Millicom's operations in Senegal in 2018. In Ghana, Millicom along with its joint venture partner, Bharti Airtel Limited, have signed a definitive agreement for the transfer of AirtelTigo to the Government of Ghana. Millicom recorded a $25 million charge in Q1 2021 as part of this agreement. The provision charge is recorded under the line "Other operating income (expenses), net" in the statement of income. Completion of each transaction is subject to regulatory approvals.

IPO – Tanzania

The Tanzanian government has implemented legislation requiring telecommunications companies to list their shares on the Dar es Salaam Stock Exchange and offer 25% of their shares in a Tanzanian public offering. The Group is currently seeking to reach an agreement with the Tanzanian government regarding the conditions of the IPO, taking into account the proposed sale of our Tanzanian operation.

16. SUBSEQUENT EVENTS

On July 29, 2021, we announced the launch of a share repurchase program of up to the lower of SEK 870 million (approximately $100 million) in aggregate purchase price, or 5 million Swedish Depository Receipts until the next AGM in May 2022.