MILLICOM
THE DIGITAL LIFESTYLE

Millicom International Cellular S.A.

Société Anonyme

Audited annual accounts as at and for the year ended December 31, 2020
2, rue du Fort Bourbon,
L-1249 Luxembourg,
R.C.S. Luxembourg : B 40 630

We believe in better.
We believe in tigo

Table of Contents

Directors' Report and Management Responsibility Statement

Principal activities and background

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 leading provider of cable and mobile services dedicated to emerging markets. Through our main brands Tigo and Tigo Business™, we provide a wide range of digital services in nine countries in Latin America and two countries in Africa, including high-speed data, cable TV, direct-to-home satellite TV ("DTH" and when we refer to DTH together with cable TV, we use the term "pay-TV"), mobile voice, mobile data, SMS, MFS, fixed voice, and business solutions including value-added services ("VAS"). We provide services on both a business-to-consumer ("B2C") and a business-to-business ("B2B") basis, and we have used the Tigo brand in all our markets since 2004.

We offer the following principal categories of services:

Mobile, including mobile data, mobile voice, and MFS to consumer, business and government customers;

Cable and other fixed services, including broadband, pay-TV, content, and fixed voice services for residential (Home) customers, as well as voice, data and VAS and solutions to business and government customers.

In Latin America, our principal region, we provide both mobile and cable services in eight countries—Bolivia, Colombia, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Paraguay. In addition, we provide cable services in Costa Rica. In Africa, we provide mobile services in Tanzania, and our joint venture with Bharti Airtel provides mobile services in Ghana. In 2018, we completed the divestiture of our operations in Rwanda and Senegal and in 2019 we completed the sale of our operations in Chad. These divestitures are part of a broader effort by us in recent years to improve our financial performance and better invest capital, including by selling underperforming businesses in our Africa segment, which has historically produced lower returns on capital than our Latin America segment.

Millicom also holds small minority investments in businesses such as micro-insurance (Milvik).

The Company's shares are traded as Swedish Depositary Receipts on the Stockholm stock exchange under the symbol TIGO SDB (formerly MIC SDB) and on the Nasdaq Stock Market in the U.S. under the ticker symbol TIGO.

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

The Company has its registered office at 2, Rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg and is registered with the Luxembourg Register of Commerce under the number RCS B 40 630.

Group performance

In 2020, total revenue for the Group was US$4,171 million and gross profit was US$3,000 million, a margin of 71.9% percent.

Operating expenses represented 36.1% of revenue, a decrease compared with the 37.0% of 2019 as a result of cost savings initiatives implemented to mitigate the impact of COVID-19 on our financial performance.

Our operating profit was down 22.4% amounting to US$446 million, a 10.7% margin, which was negatively affected by increased amortization and depreciation stemming from our recent acquisitions in Nicaragua and Panama and our spectrum purchase in Colombia, as well as by an impairment of a loan receivable from the joint venture in Ghana.

Net financial expenses were US$611 million, an increase of US$67 million compared with last year. This change was mainly due to accrued interest on spectrum purchased in Colombia as well as one-time charges related to bond redemptions.

Loss before taxes was US$271 million, reflecting the lower operating profit and higher interest expense described above, as well as other non-operating expenses of US$106 million related to the mark to market of our equity investments in Jumia and Helios Towers, and foreign exchange losses.

Net tax charge was US$102 million, leaving a net loss from continuing operations of US$373 million for the year. The loss of US$12 million from discontinued operations reflects adjustments to the sales of Chad and Senegal.

As a result, our net loss for the year was US$385 million. The share of losses of non-controlling interests was US$41 million, reflecting our partners' share of net results in our subsidiaries in Colombia and Panama.

The net loss for the year attributable to Millicom owners was US$344 million. Loss per share was US$3.40.

Share Capital

As at December 31, 2020, Millicom had 101.7 million issued and paid up common shares of par value US$1.50 each, of which approximately 526,000 were held by the Company as treasury shares (2019: approximately 580,000). During the year, the Company acquired 350,000 shares through its share repurchase program, and it issued approximately 372,000 shares to management and employees under the LTIPs, and issued approximately 32,000 shares to Directors as part of their annual remuneration.

Directors’ Report and Management Responsibility Statement—*Continued*

Distribution to Shareholders and Proposed Distributions

As part of its response to the pandemic, the Group prioritized the protection of employees’ health and safety as well as their income. With this support, our employees ensured that customers remained connected and cared for, safely. In order to provide this invaluable support to our communities, the Group also took steps to preserve its financial strength and liquidity, including the shareholder-approved proposal from the Board of Directors not to pay a dividend in 2020 related to 2019 profits.

On March 9, 2021, the Board approved to propose to the AGM to be held on May 4, 2021 a share buyback program to replace the program approved by the shareholders at the AGM held on June 25, 2020. Under the terms of this proposed program, the number of shares that may be repurchased between May 4, 2021 and the date of the AGM to be held in 2022, would not exceed the higher of 5% of the outstanding share capital of the Company as per April 20, 2021 or 5,000,000 shares. The purpose of the repurchase program is to reduce Millicom’s share capital, or to use the repurchased shares for meeting obligations arising under Millicom´s employee share-based incentive programs. Payment for the shares would be made in cash.

Risks and Uncertainty Factors

The Group operates in an industry and in markets which are characterized by rapid change and subject to macro-economic, competitive and political uncertainty. This change creates both opportunities and at the same time a degree of risk. Many of the inherent underlying risks in these markets, including regulatory change (including tariff controls and taxation), currency fluctuations and underlying macroeconomic conditions, impact on the level of disposable income and consumers’ attitudes and demand of products and services.

Further information on these and other key risks faced by the Group are set out in the Risk Management section on pages 43–46 in the Group Annual Report.

Financial Risk Management Objectives and Policies

Millicom’s financial risk management policies and objectives, together with a description of the various risks and hedging activities undertaken by the Group, are set out in Section D Financial risk management of the consolidated financial statements in the Group Annual Report at the following link: https://www.millicom.com/investors/reporting-center/.

Internal controls and additional information on the preparation of the Annual Report are set out in the Corporate Governance section of the Group Annual Report.

Non-Financial Information

Non-financial information, such as environmental, social, human rights and the fight against corruption, are integrated in the section of the Corporate Responsibility Performance Review. The composition of administrative, management and supervisory bodies (including their committees) and the way in which these bodies operate, are described in the Group Annual Report.

Management and Employees

In recent years, the Group has developed many key functions and improved support to local operations, including the areas of procurement, network development, marketing, IT, HR, compliance and finance.

At December 31, 2020, the Group’s headcount from continuing operations reached approximately 21,000 down from around 22,000 at December 31, 2019.

Outlook for the Group

We maintain our medium term ambition to deliver mid-single-digit organic service revenue growth, mid-to-high single-digit organic EBITDA growth, and around 10% organic OCF growth for the Latam segment. That said, due to ongoing uncertainty around COVID-19, we expect that our financial performance in 2021 will likely remain below this medium term ambition.

Subsequent events

On February 11, 2021, Millicom announced that it had given notice to holders of its Notes due 2026, 2028 and 2029 of the company’s intention to exercise its right to call 10% of the principal outstanding of these Notes at a price of 103%. Total consideration of approximately US$180 million will be funded from cash, consistent with the company’s decision to prioritize debt reduction.

On February 23, 2021 the Company and Telefonía Celular de Nicaragua S.A. signed a loan agreement for US$80 million due on February 23, 2022. The proceeds will be used for working capital purposes.

José Antonio Ríos García
Chairman of the Board of Directors
Luxembourg, March 10, 2021

MANAGEMENT RESPONSIBILITY STATEMENT

We, Mauricio Ramos, Executive Director and Chief Executive Officer, and Tim Pennington, Chief Financial Officer, confirm, to the best of our knowledge, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2020, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and that the Directors' report includes a fair review of the development and performance of the business and the position of Millicom International Cellular S.A., together with a description of the principal risks and uncertainties that Millicom International Cellular S.A. faces.

Luxembourg, March 10, 2021

Mauricio Ramos
Executive Director and Chief Executive Officer

Tim Pennington
Chief Financial Officer

Independent auditor's report

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Millicom International Cellular S.A. ("the Company"), which comprise the balance sheet as at December 31, 2020, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2020, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements in Luxembourg, and we have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. *Impairment of Shares in affiliated undertakings and impairment of Loans owed by Affiliated Undertakings*

Risk identified

Millicom International Cellular S.A., as ultimate holding of the group, holds a number of shares in and loans to affiliated undertakings, which are operating mainly in emerging markets in the telecommunication sector. As described in Note 5 shares in affiliated undertakings are valued at cost less any durable impairment in value which as at December 31, 2020 amounts to US$4,142 million representing 78% of the total assets. As described in Note 6 loans to affiliated undertakings are valued at cost less any durable impairment in value which as at December 31, 2020 amounts to US$613 million representing 12% of the total assets. At least annually, the Company evaluates the carrying value of the investments and the nominal value of the loans. Impairment losses are measured and recorded based on the difference between the estimated recoverable amount and the carrying amount of the asset. Impairment of shares in and loans to affiliated undertakings is considered a significant risk due to historical impairment, business industry and locations of these investments.

Our answer

Our audit procedures over the valuation of the shares in affiliated undertakings included, among others:

- Obtaining and reading the latest financial statements/trial balances of material investments in order to identify whether any going concern issue or liquidity issue exist at the investment level and ultimately if the investment is recoverable.
- Assessing the valuation model prepared by the Management and its impairment test for the determination of the recoverable amount of the investments.
- Recomputing the fair value of equity interests of the investments prepared by the Management and comparing the carrying value of the investments to the fair market value of equity interests in order to determine whether an impairment exists.
- Assessing the valuation of the guarantees provided by the Company to direct or indirect affiliated companies.

Our audit procedures over the valuation of the loans granted to affiliated undertakings included, among others:

- Obtaining the loan agreements to confirm the nominal value of the loans and the movement of the year.
- Obtaining and reading the latest financial statements/trial balances of the affiliated undertakings in order to identify whether any going concern issue or liquidity issue exist and ultimately if the loan is recoverable.
- Assessing the valuation model prepared by Management for the determination of the recoverable amount of the loans.
- Recomputing the recoverable amount of the loans prepared by Management and comparing the carrying value of the loans to their recoverable value in order to determine whether an impairment exists.

We also assessed the adequacy of the Company's disclosures in respect of the accounting policies on impairment as disclosed in Note 2.2.6 and 2.2.7 of the financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report but does not include the financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé." However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on June 25, 2020 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is nine years.

The management report, which is disclosed from pages 1 to 3 and which is the responsibility of the Board of Directors, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, as published on the Company's website http://www.millicom.com/our-responsibility/, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and Companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent, at the date of this report, with the financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Other matter

Th corporate governance statement includes the information required by article 68ter paragraph (1) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended.

Ernst & Young

Société anonyme

Cabinet de révision agréé

Bruno di Bartolomeo

Luxembourg, March 10, 2021

MILLICOM INTERNATIONAL CELLULAR S.A.
BALANCE SHEET AS AT DECEMBER 31, 2020

ASSETS	Notes	31 Dec 2020 USD	31 Dec 2019 USD
Fixed assets			
Intangible assets	3		
Concessions, patents, licenses, trade marks and similar rights and assets, if they were acquired for valuable consideration and need not be shown under C.I.3		20,759,256	17,606,131
Payments on account and intangible fixed assets under development		1,529,339	5,968,784
Tangible assets	4		
Other fixtures and fittings, tools and equipment		1,543,248	1,524,705
Payments on account and tangible assets in the course of construction		1,631,598	1,514,573
Financial assets	5		
Shares in affiliated undertakings		4,141,631,637	4,709,430,681
Other loans		—	40,000,000
		4,167,095,078	4,776,044,874
Current assets			
Debtors	6		
Amounts owed by affiliated undertakings			
becoming due and payable within one year		146,672,308	63,260,038
becoming due and payable after more than one year		612,552,655	418,749,540
Amounts owed by undertakings with which the company is linked by virtue of participating interests			
becoming due and payable within one year		3,912,945	12,311,352
Other debtors		23,807,108	23,336,609
Investments			
Own shares	7	20,403,533	27,980,297
Other investments	19	—	32,435,000
Cash at bank and in hand		280,664,826	665,826,991
		1,088,013,375	1,243,899,827
Prepayments	8	34,183,753	37,136,714
TOTAL ASSETS		5,289,292,206	6,057,081,415

The accompanying notes are an integral part of these annual accounts

MILLICOM INTERNATIONAL CELLULAR S.A.
BALANCE SHEET AS AT DECEMBER 31, 2020—*Continued*

EQUITY AND LIABILITIES	Notes	31 Dec 2020 USD	31 Dec 2019 USD
Capital and reserves	7		
Subscribed capital		152,608,826	152,608,826
Share premium account		435,858,902	428,282,120
Reserves			
Cash flow hedge reserve		(12,204,114)	(6,124,690)
Legal reserve		16,357,968	16,357,968
Reserve for own shares		20,403,533	27,980,315
Profit brought forward		1,666,265,694	957,344,859
Profit for the financial year		56,066,101	708,920,835
		2,335,356,910	2,285,370,233
TOTAL EQUITY			
Provisions	9		
Other provisions		23,983,466	18,384,989
Creditors			
Debenture loans			
Non-convertible loans			
becoming due and payable after more than one year	10	2,543,093,117	2,813,561,132
Amounts owed to affiliated undertakings	11		
becoming due and payable within one year		310,962,444	695,583,803
becoming due and payable after more than one year		900,000	149,400,000
Amounts owed to undertakings with which the company is linked by virtue of participating interests			
becoming due and payable within one year	12	994,717	1,011,126
Other creditors			
Tax authorities		12,287	—
Social Security authorities		101,504	97,735
Other creditors	13		
becoming due and payable within one year		72,029,715	91,751,865
becoming due and payable after more than one year		1,260,906	1,238,084
		2,929,354,690	3,752,643,745
Deferred income		597,140	682,448
TOTAL LIABILITIES		2,953,935,296	3,771,711,182
TOTAL EQUITY AND LIABILITIES		5,289,292,206	6,057,081,415

The accompanying notes are an integral part of these annual accounts

MILLICOM INTERNATIONAL CELLULAR S.A.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2020

	Notes	**31 Dec 2020 USD**	31 Dec 2019 USD
Other operating income	14	209,140,702	160,482,005
Staff costs	15		
Wages and salaries		(43,377,596)	(39,661,274)
Social Security costs		(940,909)	(869,154)
Other staff costs		(309,781)	(12,710)
Value adjustments			
In respect of formation expenses and of tangible and intangible assets	3,4	(5,667,351)	(5,178,109)
In respect of current assets	6	1,173,500	(53,350)
Other operating charges	16	(167,367,802)	(218,936,057)
Income from participating interests	17		
derived from affiliated undertakings		863,607,203	996,147,000
Other interest and similar income			
derived from affiliated undertakings		33,870,002	20,695,237
other interest and similar income	18	3,845,912	10,458,572
Value adjustments in respect of financial assets and of investments held as current assets	19	(618,550,315)	(26,205,849)
Adjustments of other taxes and duties		24,919	152,830
Interest payable and similar expenses			
Concerning affiliated undertakings		(10,132,293)	(8,782,710)
Other interest and similar expenses	20	(198,281,620)	(172,387,807)
Tax on profit or loss	21	(10,968,470)	(6,927,789)
Profit after taxation		56,066,101	708,920,835
Profit for the financial year		56,066,101	708,920,835

The accompanying notes are an integral part of these annual accounts

NOTE 1—GENERAL INFORMATION

Millicom International Cellular S.A. (the "Company" or "MIC SA"), is a Luxembourg Société Anonyme governed by the Luxembourg law of August 10, 1915 on Commercial Companies (as amended), was incorporated on June 16, 1992, and its subsidiaries, joint ventures and associates (the "Group" or "Millicom") a leading provider of cable and mobile services dedicated to emerging markets. Through our main brands Tigo and Tigo Business™, we provide a wide range of digital services in nine countries in Latin America and two countries in Africa, including high-speed data, cable TV, direct-to-home satellite TV ("DTH" and when we refer to DTH together with cable TV, we use the term "pay-TV"), mobile voice, mobile data, SMS, MFS, fixed voice, and business solutions including value-added services ("VAS"). We provide services on both a business-to-consumer ("B2C") and a business-to-business ("B2B") basis, and we have used the Tigo brand in all our markets since 2004.

We offer the following principal categories of services:

- Mobile, including mobile data, mobile voice, and MFS to consumer, business and government customers;
- Cable and other fixed services, including broadband, pay-TV, content, and fixed voice services for residential (Home) customers, as well as voice, data and VAS and solutions to business and government customers.

In Latin America, our principal region, we provide both mobile and cable services in eight countries—Bolivia, Colombia, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Paraguay. In addition, we provide cable services in Costa Rica. In Africa, we provide mobile services in Tanzania, and our joint venture with Bharti Airtel provides mobile services in Ghana. In 2018, we completed the divestiture of our operations in Rwanda and Senegal and in 2019 we completed the sale of our operations in Chad. These divestitures are part of a broader effort by us in recent years to improve our financial performance and better invest capital, including by selling underperforming businesses in our Africa segment, which has historically produced lower returns on capital than our Latin America segment.

Millicom also holds small minority investments in businesses such as micro-insurance (Milvik).

The Company's shares are traded as Swedish Depositary Receipts on the Stockholm stock exchange under the symbol TIGO SDB (formerly MIC SDB) and on the Nasdaq Stock Market in the U.S. under the ticker symbol TIGO.

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

In order to align the Millicom Group's legal structure with its operational model in the United States, Millicom's management decided to formally establish its U.S. operations in a way that recognizes two main focal points. The first focus is the development, enhancement, maintenance, and protection of MIC S.A.'s valuable intangible property performed by a branch of MIC S.A. in the United States. The second focus is the provision of services by Millicom International Services LLC supporting MIC S.A. itself and Millicom's operating companies. As of December 31, 2020, MIC S.A.'s branch in the United States has a total of 14 employees.

The Company has its registered office at 2, Rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg and is registered with the Luxembourg Register of Commerce under the number RCS B 40 630.

The Company prepares consolidated annual accounts, which are published in Luxembourg and are available at the registered office of the Company.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention, except for the use of the fair value option for financial derivative instruments and transferable securities.

Accounting policies and valuation rules are, besides those prescribed by the Law of December 19, 2002, as amended subsequently, determined and applied by the Board of Directors. The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Management to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed.

Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*Continued*

2.2 Significant accounting policies

The principal accounting policies applied in the preparation of these annual accounts are set out below. These policies have been consistently applied to all years presented.

2.2.1 Going concern

Management is not aware of anything that would prevent the company from continuing as a going concern. Therefore, the going concern basis of accounting is applied in preparing these annual accounts.

2.2.2 Foreign currency translation

These annual accounts are expressed in US Dollars ($). The translation at the balance sheet is made according to the following principles:

Monetary items are converted at the exchange rates effective at the balance sheet date whereas non-monetary items are converted at the exchange rate effective at the time of the transaction. The realized and unrealized exchange losses are recorded in the profit and loss account, whereas the realized exchange gains are recorded in the profit and loss account at the moment of their realization. Unrealized gains resulting from the fair valuation of derivatives held for trading are recognized under the caption "other interest and similar income."

Financial liabilities and assets, which are hedged by derivative instruments are translated at closing rate.

2.2.3 Intangible assets

Intangible fixed assets are valued at purchase price including the expenses incidental thereto. Intangible fixed assets are depreciated over their estimated useful economic lives, as follows:

• Licenses and trademarks rights	5 years or the contract term if less
• Rights of use (IRUs) (Note 2.2.4)	12 or 13 years term of the underlying contract
• Software	3 years or the contract term if less

Depreciation is calculated on a straight line basis.

Where the Company considers that an intangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.4 Indefeasible rights of use

There is no universally-accepted definition of an indefeasible rights of use (IRU). These agreements come in many forms. However, the key characteristics of a typical arrangement include:

- The right to use specified network infrastructure or capacity;
- For a specified term (often the majority of the useful life of the relevant assets);
- Legal title is not transferred;
- A number of associated service agreements including operations and maintenance (O&M) and co-location agreements. These are typically for the same term as the IRU; and
- Any payments are usually made in advance.

IRUs are accounted for either as a lease, or service contract based on the substance of the underlying agreement.

IRU arrangements will qualify as a lease if, and when:

- The purchaser has an exclusive right for a specified period and has the ability to resell (or sublet) the capacity; and
- The capacity is physically limited and defined; and
- The purchaser bears all costs related to the capacity (directly or not) including costs of operation, administration and maintenance; and
- The purchaser bears the risk of obsolescence during the contract term.

If all of these criteria are not met, the IRU is treated as a service contract.

An IRU of network infrastructure (cables or fiber) is accounted for as a right of use asset (see Note 3), while capacity IRU (wavelength) is accounted for as an intangible asset.

The costs of an IRU recognized as service contract is recognized as prepayment and amortized in the statement of income as incurred over the duration of the contract.

Usage of the Company's controlled IRUs are charged to the local operations of the Group. These recharges are presented as revenue in the Company's profit and loss account under the caption "Other operating income."

2.2.5 Tangible assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto. Tangible fixed assets are depreciated over their estimated useful economic lives. All repairs and maintenance expenditures are expensed as incurred.

The depreciation rates and methods applied are as follows:

- Computer equipment: 3 years
- Other equipment: 4 to 10 years

Depreciation is calculated on a straight-line basis.

Where the Company considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.6 Financial assets

Shares in affiliated undertakings, participating interest and loans to affiliated undertakings are valued at purchase price and at nominal value including the expenses incidental thereto, less any durable impairment in value.

The recoverability of the Company's shares in affiliated undertakings, participating interest and loans to affiliated undertakings is subject to the future profitability of the underlying operations and the evolution of the business in accordance with plans. In evaluating the recoverability of its

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*Continued*

assets, the value and future benefits of the underlying operations are periodically reviewed by management based on technological, regulatory and market conditions.

Annually, or when certain operational and financial factors indicate an impairment of value, the Company evaluates the carrying value of the investments and the nominal value of the loans, in relation to the operating performance and future cash flows of the underlying assets. When indicated, the impairment losses are measured based on the difference between the estimated recoverable amount and the carrying amount of the asset. Management's estimates of recoverable amounts are based on the net present values of estimated future cash flows and valuations based on market transactions in similar circumstances. Impairment losses are reversed when the reasons for which the impairment has been created no longer exist.

2.2.7 Debtors
Debtors are valued at their nominal value. They are subject to value adjustments when their recovery is compromised.

2.2.8 Prepayments
Prepayments include expenditures incurred during the current year but relating to a subsequent financial year, as well as debenture loans origination and further amendments costs which are amortized on a straight line basis over remaining estimated debt periods based on the maturity of the financing agreements.

2.2.9 Debenture Loans
Debenture loans are recorded at their reimbursement value. The debt origination and further amendments costs are included in prepayments (Note 2.2.8).

2.2.10 Cash at bank and in hand
Highly liquid investments with an original maturity of three months or less are considered to be cash at bank and in hand.

2.2.11 Provisions
Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise. See also Note 2.2.16.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions for taxation corresponding to the difference between the tax liability estimated by the Company and the advance payments for the financial years for which the tax return has not yet been filed are recorded under the caption "Tax authorities."

2.2.12 Share-based compensation
Share awards under Long-Term Incentive Plans (LTIP) are granted to the directors, management and key employees. The cost of the LTIP awards is recognized on the date of issuance of the shares to the employees together with a corresponding increase in share premium. The cost is based on the market value of the shares at grant date. If shares are issued from treasury shares, the difference between the value of the shares issued and the acquisition cost of the treasury shares is recorded in the profit and loss account as an adjustment to the value of the treasury shares. Value of the shares issued are reported in the "Wages and Salaries" caption upon issuance of the shares related to the share awards plans.

2.2.13 Expense recognition
Expenses are charged in the year they are incurred and they are stated on an accrual basis.

2.2.14 Other operating income
The Company's income is disclosed gross of withholding tax and principally comprises of consultancy, royalty and technical fees charged to affiliated companies. The Company is financing its various subsidiaries and also charging them for business support services, brand fees, management fees and recharging certain costs incurred on behalf of these subsidiaries. Income is recognized as earned.

2.2.15 Leases
While Luxembourg legal and regulatory requirements are not specific as to how leases should be accounted for, the Group elected to apply the requirements defined in IFRS 16 "Leases." As a result, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the reduction of the liability and finance cost. The finance cost is charged to the profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use are recognized under caption "intangible assets" in the balance sheet and is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

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

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

The lease payments are discounted using the interest rate implicit in the lease. As it is generally impracticable to determine that rate, the Company uses the lessee's incremental borrowing rate, being the rate that the lessee

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*Continued*

would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The incremental borrowing rate applied can have a significant impact on the net present value of the lease liability recognized under the new accounting policy for leases.

The Company determines the incremental borrowing rate by country and by considering the risk-free rate, the country risk, the industry risk, the credit risk, the currency risk and the asset specific risk, as well as the lease and payment terms and dates.

The Company is also exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is adjusted against the right-of-use asset by discounting the revised lease payments using either the initial discount rate or a revised discount rate. The initial discount rate is used if future lease payments are reflecting market or index rates or if they are in substance fixed. The discount rate is revised, if a change in floating interest rates occurs.

The Company reassesses the variable payment only when there is a change in cash flows resulting from a change in the reference index or rate and not at each reporting date.

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

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

Millicom has elected not to recognize a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are rather recognized on a straight-line basis as an expense in the statement of income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

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

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

Finally, the Company has taken the additional following decisions when adopting the Group accounting policy on leases:

- Non-lease components are capitalized
- Intangible assets are out of scope for the new lease rules.

2.2.16 Derivative financial instruments

The Company may enter from time to time into derivative financial instruments in order to hedge certain financial risk at Company or Group level.

Since January 1, 2016, the Company opted to use the fair value model as described by the Law of December 19, 2002, as amended subsequently, art. 64bis. Derivative financial instruments used for hedging purposes are measured at fair value based on their market value (Mark to Market) at the reporting date and they are recorded under either “other provisions” (when fair value is negative) or “other debtors” (when fair value is positive). The profit and loss impact is presented under “other interests and similar income” (unrealized gain) or in “other interests and similar expenses” (unrealized losses).

For hedge accounting purposes, hedges are classified as either:

- Fair value hedges, when they hedge exposure to a change in the fair value of a recognized asset or liability, or of a firm commitment (except for currency risk); or
- Cash-flow hedges, when they hedge exposure to a change in cash flow arising from a specific risk associated with a recognized asset or liability, a highly probable future transaction or a currency risk on a firm commitment.

The “effective” part of the cash flow hedge instrument is recognized in “cash flow reserve” in equity, while the “non-effective” part is recognized in the profit and loss account under the caption “other interest and similar expenses” (loss) or under the caption “other interest and similar income” (gain). Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects profit and loss. The cash flow hedge reserve is non-distributable.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*Continued*

To avoid any accounting mismatch, unrealized exchange losses and/or gains on financial assets and liabilities, being hedged with these derivative financial instruments, are also recognized in the profit and loss account.

Changes in the fair value of derivatives that are designated and qualify as fair value hedge are recorded in the profit and loss account, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.2.17 Own shares

Own shares are initially measured at acquisition cost and recognized as an asset with a corresponding non-distributable reserve created from share premium and retained earnings. Own shares are subsequently re-measured at the lower of cost or market value using the average cost. Transferred or cancelled shares are valued using the average cost method. They are subject to value adjustments where their recovery is compromised. These value adjustments are reversed when the reasons for which the value adjustments were made have ceased to apply.

2.2.18 Other investments (transferable securities)

Transferable securities are valued at fair value. The fair value of these financial instruments corresponds to the latest available quote. The changes in fair value of transferable securities are recorded in the profit and loss account.

NOTE 3—INTANGIBLE ASSETS

The movements of the year in intangible fixed assets are as follows:

	Software US$	IRU's US$	Other US$	Work in Progress US$[2]	Total US$
As at January 1, 2020					
Cost	22,097,650	18,217,401	1,175,463	5,968,785	47,459,298
Accumulated amortization	(13,300,506)	(10,114,387)	(469,490)	—	(23,884,383)
Carrying amount	**8,797,144**	**8,103,014**	**705,973**	**5,968,785**	**23,574,916**
Additions	173,251	—	—	6,914,427	7,087,678
Disposals[1]	—	(6,950,000)	—	—	(6,950,000)
Category transfers	12,008,846	—	(654,974)	(11,353,872)	—
Transfers to tangible work in progress	(129,098)	—	—	—	(129,098)
Amortisation	(4,512,328)	3,268,427	(50,999)	—	(1,294,900)
– Amortisation on in use assets	(4,512,328)	(834,003)	(50,999)	—	(5,397,330)
– Amortisation on the transfer of assets	—	—	—	—	—
– Reversal of Amortisation of Disposal assets[1]	—	4,102,430	—	—	4,102,430
As at December 31, 2020					
Cost	34,150,649	11,267,401	520,489	1,529,340	47,467,878
Accumulated amortisation	(17,812,834)	(6,845,960)	(520,489)	—	(25,179,283)
Carrying amount as of December 31, 2020	**16,337,815**	**4,421,441**	**—**	**1,529,340**	**22,288,595**

Intangible assets include software licenses and indefeasible rights of use (IRU) related to telecommunications capacity contracts which the Company purchases centrally and resells capacity to certain of its operating subsidiaries and joint ventures.

(1) During 2020, MICSA sold IRUs to Navega Honduras forUS$3.1 million The net book value of these IRUs at the time of disposal was US$2.8 million.
(2) As of December 31, 2020, the work in progress is related mainly to BTO project for US$1.4 million and other less representative projects for US$0.1 million.

NOTE 3—INTANGIBLE ASSETS—*Continued*

	Software US$	IRU's US$	Other US$	Work in Progress US$[2]	Total US$
As of January 1, 2019					
Cost	16,941,484	18,217,401	1,575,623	289,136	37,023,644
Accumulated amortization	(10,766,412)	(8,258,761)	(413,436)		(19,438,609)
Carrying amount	**6,175,072**	**9,958,640**	**1,162,187**	**289,136**	**17,585,035**
Additions	72,876	—	—	10,156,626	10,229,502
Disposals	—	—	—	—	—
Category transfers[1]	4,877,136	—	(400,159)	(4,476,977)	—
Transfers from Tangible Assets	206,152				206,152
Amortisation	(2,534,093)	(1,855,626)	(56,055)	—	(4,445,774)
– Amortisation on in use assets	(2,499,476)	(1,855,626)	(90,672)	—	(4,445,774)
– Amortisation on the transfer of assets	(34,617)	—	34,617	—	—
As at December 31, 2019					
Cost	22,097,648	18,217,401	1,175,464	5,968,785	47,459,298
Accumulated amortisation	(13,300,505)	(10,114,387)	(469,491)	—	(23,884,383)
Carrying amount as at December 31, 2019	**8,797,143**	**8,103,014**	**705,973**	**5,968,785**	**23,574,915**

NOTE 4—TANGIBLE ASSETS

The movements of the year in tangible fixed assets are as follows:

	Leaseholds improvements US$	Other PPE US$	Right of use assets US$	Work in Progress US$	Total US$
As at January 1, 2020					
Cost	—	2,710,454	1,419,623	1,514,572	5,644,649
Accumulated depreciation	—	(2,565,937)	(39,434)	—	(2,605,371)
Carrying amount	**—**	**144,517**	**1,380,189**	**1,514,572**	**3,039,278**
Additions	—	—	68,183	219,746	287,929
Disposals	(11,439)	(1,611)	—	—	(13,050)
Transfers	208,070	23,748	—	(231,818)	—
Transfer from Intangible Assets	—	—	—	129,098	129,098
Depreciation	(20,888)	(77,927)	(169,594)	—	(268,409)
– Depreciation on in use assets	(20,888)	(79,538)	(169,594)	—	(270,020)
– Reversal of Depreciation of Disposal assets	—	1,611	—	—	1,611
As at December 31, 2020					
Cost	196,631	2,732,591	1,487,806	1,631,598	6,048,626
Accumulated depreciation	(20,888)	(2,643,864)	(209,028)	—	(2,873,780)
Carrying amount	**175,743**	**88,727**	**1,278,778**	**1,631,598**	**3,174,846**

Tangible assets include IT equipment, lease right-of-use assets and office furniture.

NOTE 4—TANGIBLE ASSETS—*Continued*

	Leaseholds improvements US$	Other PPE US$	Right of use asset US$[1]	Work in Progress US$	Total US$
As at January 1, 2019					
Cost	98,318	4,875,469	—	667,569	5,641,356
Accumulated depreciation	(52,760)	(4,736,840)	—	—	(4,789,600)
Carrying amount	**45,558**	**138,629**	—	**667,569**	**851,756**
Additions	—	—	1,419,623	1,171,713	2,591,336
Disposals	(98,318)	(2,283,572)	—	—	(2,381,890)
Transfers	—	118,557	—	(324,710)	(206,153)
Depreciation	52,760	2,170,903	(39,434)	—	2,184,229
– Depreciation on in use assets	(17,984)	(92,926)	(39,434)	—	(150,344)
– Reversal of Depreciation of Disposal assets	70,744	2,263,829	—	—	2,334,573
As of December 31, 2019					
Cost	—	2,710,454	1,419,623	1,514,572	5,644,649
Accumulated depreciation	—	(2,565,937)	(39,434)	—	(2,605,371)
Carrying amount	—	**144,517**	**1,380,189**	**1,514,572**	**3,039,278**

NOTE 5—FINANCIAL ASSETS

5.1 Shares in affiliated undertakings, participating interest and other loans

The movements for the year on shares in affiliated undertakings, participating interest and other loans were as follows:

	Total December 31, 2020 US$			Total December 31, 2019 US$		
	Shares in affiliated undertakings	**Shares in participating interest**	**Other loans**	Shares in affiliated undertakings	Shares in participating interest	Other loans
Cost						
Opening balance	4,718,722,000	123,649,408	40,000,000	3,762,889,088	173,574,180	58,279,843
Additions[1]	6,260,000	—	—	955,832,912	—	—
Transfers	—	—	—	—	(49,924,772)	(18,279,843)
Closing balance	4,724,982,000	123,649,408	40,000,000	4,718,722,000	123,649,408	40,000,000
Value adjustments						
Opening balance	(9,291,318)	(123,649,408)	—	(9,291,318)	(123,649,408)	—
Impairment during the year[2]	(574,059,045)	—	(40,000,000)	—	—	—
Closing balance	(583,350,363)	(123,649,408)	(40,000,000)	(9,291,318)	(123,649,408)	—
Net book value						
Opening balance	4,709,430,682	—	40,000,000	3,753,597,770	49,924,772	58,279,843
Closing balance	4,141,631,637	—	—	4,709,430,682	—	40,000,000

(1) On May 26, 2020, the Company increased its investments in Millicom Telecommunication S.A. and Millicom Global Employment Company through contributions in kind of a portion of amounts owned from them for US$6 million and US$0.3 million, respectively.
(2) Shares in affiliated undertakings: an impairment has been booked against the Company's investment in Millicom Spain S.L. in December 2020 for a total amount of US$574 million. Other loans: please refer to Note 5.3.

5.2 Shares in affiliated undertakings

The carrying values of the shares in affiliated undertakings and the related value adjustments are as follows:

Name of the Company	Country	Percent shares held 2019 %	Opening carrying value 2019 US$	Additions/ Disposals US$	**Closing carrying value 2020 US$**	Opening value adjustments 2019 US$	Charge/ Reversal US$	**Closing value adjustments 2020 US$**	**Closing Net book value 2020 US$**	**Percent shares held 2020 %**
Millicom International Operations S.A.	Luxembourg	100	3,682,507,004	—	3,682,507,004	—	—	—	3,682,507,004	100
Millicom Spain S.L.	Spain	100	1,024,483,966	—	1,024,483,966	—	(574,059,042)	(574,059,042)	450,424,924	100
Millicom Global Employment Company S.à r.l.[1]	Luxembourg	100	11,019,887	250,000	11,269,887	(8,891,319)	—	(8,891,319)	2,378,568	100
Millicom SSC, S.A. DE C.V.	El Salvador	99.99	249,999	—	249,999	—	—	—	249,999	99.99
Shai Holding S.A.	Luxembourg	99.99	43,153	—	43,153	—	—	—	43,153	99.99
Millicom Services B.V.	Netherlands	100	10,000	—	10,000	—	—	—	10,000	100
Millicom CAM SEM S.A.	Panama	100	—	10,000	10,000	—	—	—	10,000	100
Millicom Services AB	Sweden	100	7,786	—	7,786	—	—	—	7,786	100
Millicom International Services LLC	U.S.A.	100	100	—	100	—	—	—	100	100
Millicom USA Holdings LLC	U.S.A.	100	100	—	100	—	—	—	100	100
Millicom Services UK Ltd	United Kingdom	100	2	—	2	—	—	—	2	100
Millicom Telecommunications S.A.[1]	Luxembourg	100	1	6,000,000	6,000,001	—	—	—	6,000,001	100
			4,718,321,998	6,260,000	4,724,581,998	(8,891,319)	(574,059,042)	(582,950,361)	4,141,631,637	

(1) Please refer to Note 5.1 for more details on additions in 2020.

Management believes that appropriate value adjustments have been made and that no durable depreciation on investments, other than those already recorded, exist as at December 31, 2020.

Art. 65 paragraph (1) 2° of the Law of December 19, 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings (the "law") requires the disclosure of the amount of capital and reserves and profit and loss for the last financial year of each affiliated undertaking. In conformity with Art. 67 (3) of the law these details have been omitted as the Company prepares consolidated accounts and these consolidated accounts and the related consolidated management report and auditors' report thereon have been lodged with the Luxembourg Trade Registry.

5.3 Other loans

The amount in other loans corresponds to a loan receivable from the joint venture in Ghana amounting to US$40 million which arose as a result of the merger of Tigo and Airtel's respective operations in Ghana. This loan had an interest LIBOR +3% and would be repayable by October 12, 2022. In 2020, and as a result of the significant deterioration of the credit risk of Airtel Ghana Limited, combined with other unfavourable economic factors, Millicom concluded that this loan was underperforming and should be impaired. As a consequence, the Company fully impaired this receivable of US$40 million (and $5 million accrued interests thereon) during the year, disclosed under "Value adjustment in respect of financial assets and of investments held as current assets" in the profit and loss account.

Following is the movement of loan:

Name of the Company	Opening carrying value 2019 US$	Additions/ Payments	Transfer to short term	Impairment	Closing carrying value 2020 US$
Airtel Ghana Limited	40,000,000	—	—	(40,000,000)	—
	40,000,000	**—**	**—**	**(40,000,000)**	**—**

NOTE 6—DEBTORS

Debtors are composed as follows:

	Total December 31, 2020 US$	Total December 31, 2019 US$
Amounts owed by affiliated undertakings before value adjustment becoming due and payable within one year	213,827,105	131,588,335
Value adjustments in amounts owed by affiliated undertakings becoming due and payable within one year	(67,154,797)	(68,328,297)
Amounts owed by affiliated undertakings after value adjustment becoming due and payable within one year[2]	146,672,308	63,260,038
Amounts owed by affiliated undertakings after value adjustment becoming due and payable after more than one year[3]	612,552,655	418,749,540
Amounts owed by undertakings in which the company is linked by virtue of participating interests becoming due and payable within one year[4]	3,912,945	12,311,352
Other receivables becoming due and payable within one year[1]	23,807,108	23,336,609
	786,945,016	517,657,539

(1) As at December 31, 2020, Other Receivables includes assets of US$23 million corresponding to revaluation of SEK bond cross-currency swaps. In 2019, Other Receivables included a loan receivable of US$18 million corresponding to a deferred payment due by Bharti Airtel Limited related to the disposal of the Company's operation in Rwanda in 2018. This receivable has been settled by Bharti Airtel Limited in early 2020.

NOTE 6—DEBTORS—Continued

Following are the details of the amounts owed by affiliated undertakings and the related value adjustments:

(2)	Total December 31, 2020				
	Amounts owed by	Amounts owed to	Net balance before value adjustments	Value adjustments	Net balance after value adjustments
Millicom Cable Costa Rica, S.A.	957,591	(352,804)	604,787	—	604,787
Telefonía Celular de Nicaragua, S.A.	47,064,979	(16,889)	47,048,090	—	47,048,090
X-Com Holding S.A.	61,134,669	—	61,134,669	(61,134,669)	—
Millicom Payment Solutions Ltd.	5,448,508	—	5,448,508	(5,448,508)	—
Zantel (Zanzibar Telecom Ltd.)	420,701	—	420,701	(420,701)	—
Cable Onda, S.A.	212,294	(165,157)	47,137	—	47,137
Grupo de Comunicaciones Digitales S.A.	4,319,718	—	4,319,718	—	4,319,718
Telemovil El Salvador, S.A. de C.V.	9,146,033	(527,814)	8,618,219	—	8,618,219
Telefónica Celular del Paraguay S.A.	2,042,294	(200,242)	1,842,052	—	1,842,052
Teledeportes Paraguay S.A.	39,158	—	39,158	—	39,158
Mobile Cash RDC S.à r.l.	200,026	—	200,026	(150,920)	49,106
Telesis Tanzania Limited	25,878	—	25,878	—	25,878
Millicom International III N.V.	81,038	—	81,038	—	81,038
Millicom International Holding Ltd.	275,205	—	275,205	—	275,205
Millicom Cable N.V.	1,772	—	1,772	—	1,772
Millicom Spain, S.L.	86,942,579	(17,498,491)	69,444,088	—	69,444,088
Millicom Telecommunications S.A.	3,575,455	(1,104,319)	2,471,136	—	2,471,136
Millicom LIH S.A. (MLIH)	9,675	—	9,675	—	9,675
Mic Africa B.V.	11,660,501	—	11,660,501	—	11,660,501
Millicom Services B.V.	11,336	(10,000)	1,336	—	1,336
Millicom Americas LLC	414,263	(280,851)	133,412	—	133,412
	233,983,673	**(20,156,567)**	**213,827,106**	**(67,154,798)**	**146,672,308**

These amounts are short-term in nature and do not bear any interest.

NOTE 6—DEBTORS—Continued

	Total December 31, 2019				
	Amounts owed by	Amounts owed to	Net balance before value adjustments	Value adjustments	Net balance after value adjustments
Millicom Cable Costa Rica, S.A.	741,159	(290,888)	450,271	—	450,271
Newcom Nicaragua S.A.	17,226,468	—	17,226,468	—	17,226,468
X-Com Holding S.A.	61,134,669	—	61,134,669	(61,134,669)	—
Telefonía Celular de Nicaragua, S.A.	37,560	—	37,560	—	37,560
Grupo de Comunicaciones Digitales S.A.	808,282	—	808,282	—	808,282
Bolivia Cellular	498,882	(434,742)	64,140	—	64,140
Servicios y Productos Multimedios S.A.	234,778	—	234,778	—	234,778
Teledeportes Paraguay S.A.	81,859	—	81,859	—	81,859
Mobile Cash RDC S.à r.l.	200,026	—	200,026	(150,920)	49,106
Telesis Tanzania Limited	25,878	—	25,878	—	25,878
Millicom International III N.V.	81,038	—	81,038	—	81,038
Millicom International Holding Ltd.	275,205	—	275,205	—	275,205
Millicom Cable 209 N .V.	1,772	—	1,772	—	1,772
Millicom Spain, S.L.	125,641,876	(97,747,538)	27,894,338	—	27,894,338
Millicom Ireland Unlimited Company	30,000	—	30,000	—	30,000
Millicom Global Employment Company S.à r.l.	7,147,468	(422,534)	6,724,934	(6,622,007)	102,927
Millicom Telecommunications S.A.	9,631,355	(2,992,031)	6,639,324	—	6,639,324
Millicom LIH S.A. (MLIH)	1,603	—	1,603	—	1,603
Millicom Payment Solutions Ltd.	505,542	—	505,542	—	505,542
Mic Africa B.V.	4,700,450	(1,057,756)	3,642,694	—	3,642,694
Millicom Services B.V.	10,405	(10,000)	405	—	405
Comvik International (Vietnam) AB	43,229	(1,967)	41,262	—	41,262
Zantel (Zanzibar Telecom Ltd.)	420,701	—	420,701	(420,701)	—
Other	5,975,833	(910,247)	5,065,586	—	5,065,586
	235,456,038	(103,867,703)	131,588,335	(68,328,297)	63,260,038

As at December 31, 2020, a reversal of the previous impairment recognized on Millicom Payment Solutions Ltd. was recorded under the caption "Value adjustments in respect of current assets" in the profit and loss account for an amount US$1.17 million.

(3)	**Total December 31, 2020**		
	Amounts owed by	**Amounts owed to**	**Net balance**
Telefonia Celular de Nicaragua, S.A. (3.1)	394,052,655	—	394,052,655
Millicom International II N.V. (3.2)	38,500,000	—	38,500,000
Millicom Spain, S.L. (3.3)	30,000,000	—	30,000,000
Millicom International One S.L.U. (3.4)	150,000,000	—	150,000,000
	612,552,655	—	**612,552,655**

(3.1) Loan between Newcom Nicaragua S.A. and MIC SA for a total amount of US$437 million used for the acquisition of Telefonia Celular de Nicaragua, S.A. of which US$394 million is the outstanding balance. It bears interest at a rate of 6.25% with a maturity date on May 16, 2029. Telefonia Celular de Nicaragua, S.A. and Newcom Nicaragua S.A. merged in 2020 with Telefonia Celular de Nicaragua, S.A. being the surviving entity.

(3.2) Loan was signed in October 2020 for a total amount of US$192.5 million used for the repayment of local bonds. As of December 31, 2020, US$38.5 million are due in January 2022 and are therefore classified as non-current, the remaining balance is due over the year 2021 and classified as current (see Note 11). The loan bears interest at a rate of 4.00% maturity on January 31, 2022.

(3.3) Loan was signed in June 2020 for a total amount of US$30 million to be used for working capital purposes and bears interest at a rate of LIBOR 6 months + 335 bps. The loan matures on April 30, 2022.

(3.4) Loan was signed in June 2020 for a total amount of US$250 million to be used for working capital purposes of which US$150 million is the outstanding balance. and bears interest at a rate of LIBOR 3 months + 263 bps. The loan matures on January 31, 2023.

NOTE 6—DEBTORS—Continued

	Total December 31, 2019		
	Amounts owed by	Amounts owed to	Net balance
Newcom Nicaragua S.A.	418,749,540	—	418,749,540
	418,749,540	—	418,749,540

In May 2019, funds were made available to Newcom Nicaragua S.A. to enable the acquisition of Telefonia Celular de Nicaragua, S.A. The loan carried an interest rate of 6.25 % and was repayable in May 2029.

(4) Amounts owed by undertakings in which the Company is linked by participating interests are detailed below:

	Total December 31, 2020		
	Amounts owed by	**Amounts owed to**	**Net balance**
Comunicaciones Celulares, S.A.	2,382,462	—	2,382,462
Servicios Innovadores de Comunicación y Entretenimiento, S.A.	22,216	—	22,216
Telefonica Celular, S.A. de C.V.	1,388,616	(29,037)	1,359,579
Navega, S.A. de C.V.	109,920	—	109,920
Dinero Electrónico, S.A.	20	—	20
Airtel Tigo Ghana	38,748	—	38,748
	3,941,982	**(29,037)**	**3,912,945**

	Total December 31, 2019		
	Amounts owed by	Amounts owed to	Net balance
Comunicaciones Celulares, S.A.	3,564,089	(27,173)	3,536,916
Servicios Innovadores de Comunicación y Entretenimiento, S.A.	70,369	—	70,369
Telefonica Celular, S.A. de C.V.	4,148,169	(79,219)	4,068,951
Navega, S.A. de C.V.	158,854	—	158,854
Servicios, Productos y Negocios, S.A. de C.V.	150,000	—	150,000
Airtel Tigo Ghana	4,332,831	(6,568)	4,326,262
	12,424,312	(112,960)	12,311,352

Management believes that appropriate value adjustments had been made in previous years and that no durable depreciation on the amounts owed by affiliated undertakings exist, other than those already recorded.

In the normal course of the business, the Company is financing its various subsidiaries and also charging those for business support services, brand fees, management fees and recharging certain costs incurred on behalf of those subsidiaries. At the same time, certain costs incurred by subsidiaries are recharged to the Company and advanced dividends remitted to the Company. These transactions give rise to intercompany payable and receivable balances which are settled periodically either through offset of receivables and payables, declaration of dividends, or cash settlement.

NOTE 7—CAPITAL AND RESERVES

7.1 Share capital and share premium

The authorized share capital of the Company totals 133,333,200 registered shares (2019: 133,333,200) consisting of 101,739,217 (2019: 101,739,217) registered common shares at a par value of US$1.50 each, of which at December 31, 2020, 526,135 are owned by the Company (2019: 580,141).

In 2020, 520,726 shares were issued to management, directors, and employees (2019: 464,714).

7.2 Reserve for own shares

During the year ended December 31, 2020 Millicom repurchased 350,000 shares for a total amount of US$10 million and withheld 116,718 shares for settlement of tax obligations (2019: 132,162) on behalf of employees under share-based compensation plans and transferred a similar amount from share premium to reserve for own shares as required under Luxembourg law. The cost of shares issued during the year from treasury shares is US$39.9 million.

At December 31, 2020, the carrying value of the own shares was US$30.3 million while their fair value based on market share price was US$20.4 million. Own shares should therefore have been impaired by US$9.9 million for 2020, however considering an impairment of US$23.3 million was recorded in previous years, the Company recognized a reversal of impairment of US$13.3 million in the profit and loss account under “Value adjustments in respect of financial assets and of investments held as current assets.”

NOTE 7—CAPITAL AND RESERVES—Continued

During the year ended December 31, 2020, the Company has recorded a value adjustment on the value of the Company's own shares for US$7.1 million under the same caption in the profit and loss account (2019: reversal of impairment of US$8 million). This results from the application of the Company's accounting policy for own shares (Note 2.2.17) in respect of the value of shares vested during the year as part of the Company's share incentive plans (Note 7.5). Considering the reversal of the impairment mentioned above, a total net reversal of US$6.3 million has been recorded during the year 2020.

7.3 Legal reserve

On an annual basis, if the Company reports a net profit for the year, Luxembourg law requires appropriation of an amount equal to at least 5 % of the annual net profit to a legal reserve until such reserve equals 10 % of the subscribed capital. This reserve is not available for dividend distribution.

7.4 Changes in shareholders' equity

The changes in shareholders' equity for 2020 and 2019 are shown below:

	Number of shares outstanding	Share capital US$	Share premium US$	Reserve for own shares US$	Cash flow Hedge Reserve US$	Legal reserve US$	Accumulated profits US$	Profit for the year US$	Total shareholders' equity US$
Balance as at December 31, 2019	101,739,217	152,608,826	428,282,120	27,980,315	(6,124,690)	16,357,968	957,344,859	708,920,835	2,285,370,233
Allocation of 2019 result	—	—	—	—	—	—	708,920,835	(708,920,835)	—
Dividends	—	—	—	—	—	—	—	—	—
Acquisition of own shares	—	—	(19,019,846)	19,019,846	—	—	—	—	—
Transfer from reserve for own shares	—	—	(13,330,722)	13,330,722	—	—	—	—	—
Cash flow hedge reserve(1)	—	—		—	(6,079,424)	—	—	—	(6,079,424)
Long term incentive plans	—	—	39,927,350	(39,927,350)	—	—	—	—	—
Profit for the year	—	—		—	—	—	—	56,066,101	56,066,101
Balance as at December 31, 2020	101,739,217	152,608,826	435,858,902	20,403,533	(12,204,114)	16,357,968	1,666,265,694	56,066,101	2,335,356,910

(1) Cash flow hedge reserve comprises of the fair value changes of the SEK interest rate swaps (Note 6 and Note 10).

	Number of shares outstanding	Share capital US$	Share premium US$	Reserve for own shares US$	Cash flow Hedge Reserve US$	Legal reserve US$	Accumulated profits US$	Profit for the year US$	Total shareholders' equity US$
Balance as at December 31, 2018	101,739,217	152,608,826	398,324,314	57,938,121	(27,671)	16,357,968	313,729,150	910,552,729	1,849,483,437
Allocation of 2018 result	—	—	—	—	—	—	910,552,729	(910,552,729)	—
Dividends	—	—	—	—	—	—	(266,937,020)	—	(266,937,020)
Acquisition of own shares	—	—	(11,594,730)	11,594,730	—	—		—	—
Transfer from reserve for own shares	—	—	512,776	(512,776)	—	—		—	—
Cash flow hedge reserve	—	—		—	(6,097,019)	—		—	(6,097,019)
Long term incentive plans	—	—	41,039,760	(41,039,760)	—	—		—	—
Profit for the year	—	—		—	—	—		708,920,835	708,920,835
Balance as of December 31, 2019	101,739,217	152,608,826	428,282,120	27,980,315	(6,124,690)	16,357,968	957,344,859	708,920,835	2,285,370,233

NOTE 7—CAPITAL AND RESERVES—Continued

7.5 Share-based compensation plans

As at December 31, 2020, the number of share awards expected to vest under incentive plans is as follows:

Plan awards and shares expected to vest	**2020 Plans**		2019 Plans		2018 Plans		2017 Plans	
(number of shares)	**Performance Plan**	**Deferred plan**	Performance Plan	Deferred plan	Performance Plan	Deferred plan	Performance Plan	Deferred plan
Initial shares granted	341,897	370,131	257,601	297,856	237,196	262,317	279,807	438,505
Additional shares granted[1]	—	5,928	—	43,115	—	3,290	2,868	29,406
Total shares granted	341,897	376,059	257,601	340,971	237,196	265,607	282,675	467,911
Revision for forfeitures	(13,008)	(9,880)	(35,558)	(22,636)	(43,639)	(37,433)	(50,279)	(89,011)
Revision for cancellations	—	—	—	—	(4,728)	—	—	—
Total before issuances	328,889	366,179	222,043	318,335	188,829	228,174	232,396	378,900
Shares issued in 2017	—	—	—	—	—	—	—	(2,686)
Shares issued in 2018	—	—	—	—	(97)	(18,747)	(2,724)	(99,399)
Shares issued in 2019	—	—	(150)	(24,294)	(3,109)	(54,971)	(19,143)	(82,486)
Shares issued in 2020	—	(3,571)	(17)	(96,629)	(304)	(35,125)	(158,394)	(194,329)
Performance conditions	—	—	—	—	—	—	(52,135)	—
Shares expected to vest	328,889	362,608	221,876	197,412	185,319	119,331	—	—

(1) Additional shares granted represent special one-time awards

Deferred share plan (unchanged since 2014, except for vesting schedule)

Until 2018 deferred awards plan, participants were granted shares based on past performance, with 16.5% of the shares vesting on January 1 of each of year one and two, and the remaining 67% on January 1 of year three. Beginning with the 2019 plan, while all other guidelines remain the same, shares vest with 30% on January 1 of each of year one and two, and the remaining 40% on January 1 of year three. Vesting is conditional upon the participant remaining employed with Millicom at each vesting date. The cost of this long-term incentive plan, which is not conditional on performance conditions, is calculated as follows:

Fair value (share price) of Millicom's shares at grant date x number of shares expected to vest.

Performance share plan (for plans issued in 2016 and 2017)

Shares granted under this performance share plan vested at the end of the three-year period, subject to performance conditions, 25% based on Positive Absolute Total Shareholder Return (Absolute TSR), 25% based on Relative Total Shareholder Return (Relative TSR) and 50% based on budgeted Earnings Before Interest Tax Depreciation and Amortization (EBITDA) minus Capital Expenditure (Capex) minus Change in Working Capital (CWC) (Free Cash Flow).

As the TSRs measures are market conditions, the fair value of the shares in the performance share plan required consideration of potential adjustments for future market-based conditions at grant date. For this, a specific valuation had been performed at grant date based on the probability of the TSR conditions being met (and to which extent) and the expected payout based upon leaving conditions.

The Free Cash Flows (FCF) condition is a non-market measure which had been considered together with the leaving estimate and based initially on a 100% fulfillment expectation. The reference share price for this condition is the same share price as the share price for the deferred share plan above.

Performance share plan (for plans issued from 2018)

Shares granted under this performance share plan vest at the end of the three-year period, subject to performance conditions, 25% based on Relative Total Shareholder Return ("Relative TSR"), 25% based on the achievement of the Service Revenue target measured on a 3-year CAGRs from year one to year three of the plan ("Service Revenue") and 50% based on the achievement of the Operating Free Cash Flow ("Operating Free Cash Flow") target measured on a 3-year CAGRs from year one to year three of the plan. From 2020 onward, the Operating Free Cash Flow target has been redefined to consider payments made in respect of leases. As a result, the target is since then the Operating Free Cash Flow after Leases ("OFCFaL").

For the performance share plans, and in order to calculate the fair value of the TSR portion of those plans, it is necessary to make a number of assumptions which are set out below. The assumptions have been set based on an analysis of historical data as at grant date.

NOTE 7—CAPITAL AND RESERVES—Continued

Assumptions and fair value of the shares under the TSR portion(s) are as follows:

	Risk-free rate %	Dividend yield %	Share price volatility(i) %	Award term (years)	Share fair value (in US$)
Performance share plan 2020 (Relative TSR)	0.61%	1.47%	24.54%	2.93	55.66
Performance share plan 2019 (Relative TSR)	(0.24)%	3.01%	26.58%	2.93	49.79
Performance share plan 2018 (Relative TSR)	(0.39)%	3.21%	30.27%	2.93	57.70
Performance share plan 2017 (Relative TSR)	(0.40)%	3.80%	22.50%	2.92	27.06
Performance share plan 2017 (Absolute TSR)	(0.40)%	3.80%	22.50%	2.92	29.16
Performance share plan 2016 (Relative TSR)	(0.65)%	3.49%	30.00%	2.61	43.35
Performance share plan 2016 (Absolute TSR)	(0.65)%	3.49%	30.00%	2.61	45.94

NOTE 8—PREPAYMENTS

	Total December 31, 2020	Total December 31, 2019
	US$	US$
Unamortized loan origination costs[(1)]	31,385,391	34,287,814
Other prepayments	2,798,362	2,848,900
	34,183,753	37,136,714

(1) As at December 31, 2020, unamortized loan origination costs amount to US$31 million (2019: US$34 million).The amortization for the year of US$14 million is recorded in the profit and loss account under the caption "other interest and similar expenses" which includes the accelerated amortized cost of the early redemption of the 2025 Bond (see Note 10) as well as the amortized cost of the new instruments for the year (see Note 10).

NOTE 9—OTHER PROVISIONS

	Total December 31, 2020	Total December 31, 2019
	US$	US$
Derivative financial instrument	—	166,560
Provisions related to investments disposed of[(1)]	8,995,233	9,000,000
Income Tax Risk provision (Note 22)	8,267,771	3,907,615
Other provisions[(2)]	6,720,462	5,310,814
	23,983,466	18,384,989

(1) Corresponds to a provision for other expenses directly linked with the disposal of DRC estimated at US$9 million (2019: US$9 million).
(2) Relates to the risks of some of the Company's subsidiaries and joint ventures for which the Company acts as guarantor US$4 million are provided for in respect of a litigation case in Ghana. The remaining amount of an approximate US$3 million corresponds to other legal cases for which a provision was made to cover payments to be done for court resolutions.

NOTE 10—NON-CONVERTIBLE LOANS BECOMING DUE AND PAYABLE AFTER MORE THAN ONE YEAR

	After one year and within five years	**More than five years**	**Total December 31, 2020**	Total December 31, 2019
	US$	**US$**	**US$**	US$
US$500M 6% Senior Notes (1)	—	—	—	500,000,000
US$500M 5.125% Senior Notes (2)	—	500,000,000	500,000,000	500,000,000
COP144Bn 9.45% Senior Notes (3)	50,000,000	—	50,000,000	50,000,000
US$500M 6.625% Senior Notes (4)	—	500,000,000	500,000,000	500,000,000
US$750M 6.25% Senior Notes (5)	—	750,000,000	750,000,000	750,000,000
SEK2Bn 2.35% + Stibor Senior Notes (6)	243,093,117	—	243,093,117	213,561,132
US$500M 4.5% Senior Notes (7)	—	500,000,000	500,000,000	—
US$300M Camelia Bank Loan (8)	—	—	—	300,000,000
	293,093,117	2,250,000,000	2,543,093,117	2,813,561,132

The total interest expense on the above debts amounted to US$163.2 million for the year (2019: US$163.3 million) and is presented in the "Other interest and similar expenses" caption (Note 20).

1) US$500 million 6% Senior Notes

On March 17, 2015, Millicom issued a US$500 million 6% fixed interest rate bond repayable in ten years, to repay the El Salvador 8% Senior Notes and for general corporate purposes. The bond was issued at 100% of the principal and had an effective interest rate of 6.132%. US$6 million of withheld and upfront costs were presented under the caption "prepayment" and amortized under "other interest and similar expenses" over the duration of the bond.

On October 19, 2020, Millicom announced the early redemption of these Senior Notes which took place on October 29, 2020 at a redemption price equal to 103.0% of the principal amount redeemed plus accrued and unpaid interest. The early redemption premium amounted to US$15 million and the remaining unamortized deferred costs to US$7 million. These were recognized under "Interest and other financial expenses" in the Company´s Profit and loss accounts.

2) US$500 million 5.125% Senior Notes

On September 20, 2017, Millicom issued a US$500 million 5.125% fixed interest rate bond repayable in 10 years. The bond was issued at 100% of the principal and has an effective interest rate of 5.244%. US$6.4 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the 10-year life of the bond.

3) COP144Bn 9.45% Senior Notes

On July 24, 2018, the Company issued a COP 144 Bn /US$50 million bilateral facility with IIC (Inter-American Development Bank) for a US$ indexed to COP Note due in 2025. The note bears interest at 9.45% p.a. This COP Note is used as net investment hedge of the net assets of our operations in Colombia. US$1.2 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the duration of the bond.

4) US$500 million 6.625% Senior Notes

On October 16, 2018, Millicom issued a US$500 million 6.625% fixed interest rate bond repayable in 8 years. The bond was issued at 100% of the principal and has an effective interest rate of 6.748%. US$6.2 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the duration of the bond.

5) US$750 million 6.250% Senior Notes

On March 25, 2019, Millicom issued a US$750 million 6.250% fixed interest rate bond repayable in 10 years. The bond was issued at 100% of the principal and has an effective interest rate of 6.36%. US$8.2 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the duration of the bond.

6) SEK2Bn 2.35% + Stibor Senior Notes

On May 15, 2019, Millicom issued a SEK2Bn / US$214 million repayable note in 5 years. The bond was issued at 100% of the principal and has an effective interest rate of 2.66%. The notes bear interest at a floating rate of STIBOR (3 months) (excluding a STIBOR floor) plus 2.35% US$2.4 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the duration of the bond.

7) US$500 million 4.5% Senior Notes

On October 19, 2020, Millicom issued a US$500 million 4.500% fixed interest rate bond repayable in 2031. The bond was issued at 100% of the principal and has an effective interest rate of 4.800%. US$5.5 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the duration of the bond.

8) US$300 million 'Camelia' Bank Loan

On April 29, 2019, Millicom received a loan of US$300 million; the loan bears interest at a floating rate of LIBOR 6m with a margin 3% repayable in 5 years. The loan was issued at 100% of the principal in 2 disbursements of US$150 million and US$1.8 million of withheld and upfront costs are presented under the caption "prepayments" and amortized under "other interest and similar expenses" over the duration of the loan. In November 2020, MICSA prepaid the total US$300 million facility.

9) Revolving Credit Facility

In March 2020, MIC S.A. drew down US$400 million from the US$600 million revolving credit facility it entered into in January 2017 (the "RCF"). US$337 million was disbursed in March 2020 and the remaining US$63 million in April 2020. The draw down had an initial six-month term and Millicom had the option to extend up to January 2022 (the maturity date of the RCF). The RCF was fully repaid on June 29, 2020.

In October 2020, MIC S.A. entered into a 5 year, US$600 million ESG-linked revolving credit facility (the "Facility") with a syndicate of 11 commercial banks. This facility will be used to refinance the above existing multi-currency revolving credit facility which was due to expire in 2022 and for general corporate purposes.

10) Guarantees

In the ordinary course of business, the Company has issued guarantees to secure certain obligations of some of the Group's operations under bank supplier financing agreements. As of December 31, 2020, the outstanding exposure for guarantees issued by the Company to cover debt and financing, in the operations, amounted to US$287 million (2019: US$464 million).

11) Currency and interest rate swap contracts

Interest rate and currency swaps on SEK denominated debt have a maturity date of May 15, 2024. As of December 31, 2020, the fair value of these swaps is an asset of US$23 million (see Note 6) and the net effect corresponding to the fair value of the interest portion of the swap is recognized in the cash flow hedge reserve for US$(6.1) million (see Note 7).

Notional amount in currency	Currency sold	Currency bought	Maturity date
500 million SEK	USD	SEK	May 15, 2024
1,000 million SEK	USD	SEK	May 15, 2024
500 million SEK	USD	SEK	May 15, 2024

NOTE 11—AMOUNTS OWED TO AFFILIATED UNDERTAKINGS

Amounts owed to affiliated undertakings becoming due and payable within one year are detailed below:

	Total December 31, 2020		
	Amounts owed to	Amounts owed by	Net balance
Telefónica Celular de Bolivia, S.A.	21,826	(98,506)	(76,680)
Colombia Movil S.A.	168,834	(182,802)	(13,968)
UNE EPM Telecomunicaciones S.A.	27,132	(1,221,732)	(1,194,600)
Servicios y Productos Multimedios S.A.	59,712	(1,167,148)	(1,107,436)
Mic Tanzania Public Limited Company	829,963	(3,118,572)	(2,288,609)
Zantel (Zanzibar Telecom Ltd.)	4,784	(23,111)	(18,328)
Millicom International II N.V.	179,196,970	(254,867,880)	(75,670,910)
Millicom International V N.V.	—	(2,216,755)	(2,216,755)
Millicom International One S.L.U.	3,540,407	(5,595,138)	(2,054,732)
Millicom International S.L.U.	1	(68,061)	(68,060)
Millicom Services U.K.	1,144,202	(7,275,705)	(6,131,502)
Millicom International Operations S.A.	2,230,658	(117,876,533)	(115,645,875)
Shai Holding S.A.	217,323	(383,861)	(166,539)
Millicom Global Employment Company S.à r.l.	178,163	(213,697)	(35,534)
Millicom Holding B.V.	385,802	(627,693)	(241,891)
Mic Latin America B.V.	(1,549,748)	—	(1,549,748)
Millicom International Operations B.V.	110,284	(181,316)	(71,033)
Millicom International B.V.	—	(7,879)	(7,879)
Comvik International (Vietnam) AB	(508)	—	(508)
Millicom Services AB	2,796,373	(13,259,887)	(10,463,515)
Millicom International Ventures AB	608	(230,088)	(229,480)
Millicom Digital Ventures AB	28,258	(124,837)	(96,579)
Millicom International Enterprises AB	—	(5,831,888)	(5,831,888)
Millicom SSC, S.A. de C.V.	261,860	(772,879)	(511,019)
Millicom International Services Llc	2,044,625	(81,920,814)	(79,876,188)
Millicom CAM SEM, S.A.	3,624,373	(5,184,934)	(1,560,562)
Mobile Cash, SA de C.V.	—	(10,779)	(10,779)
Other	(775,089)	(3,046,758)	(3,821,847)
	194,546,813	**(505,509,253)**	**(310,962,444)**

These amounts are short-term in nature and do not bear any interest.

NOTE 11—AMOUNTS OWED TO AFFILIATED UNDERTAKINGS—Continued

	Total December 31, 2019		
	Amounts owed to	Amounts owed by	Net balance
Cable Onda, S.A.	239,413	(694,055)	(454,642)
Telemovil El Salvador, S.A. de C.V.	796,137	(12,417,965)	(11,621,828)
Colombia Movil S.A.	88,322	(182,478)	(94,155)
UNE EPM Telecomunicaciones S.A.	70,597	(214,896)	(144,299)
Telefónica Celular del Paraguay S.A.	3,017,787	(35,268,624)	(32,250,837)
Mic Tanzania Public Limited Company	198,097	(3,117,653)	(2,919,556)
Zantel (Zanzibar Telecom Ltd.)	1,705	(23,111)	(21,407)
Millicom International II N.V.	5,682,760	(215,679,052)	(209,996,292)
Millicom International V N.V.	—	(2,169,884)	(2,169,884)
Millicom International One S.L.U.	1,165,353	(1,736,590)	(571,237)
Millicom International S.L.U.	—	(40,045)	(40,045)
Millicom Services U.K.	2,036,478	(12,897,723)	(10,861,245)
Millicom International Operations S.A.	6,005,501	(328,047,907)	(322,042,405)
Shai Holding S.A.	217,343	(285,782)	(68,438)
Millicom Holding B.V.	303,548	(383,414)	(79,866)
Mic Latin America B.V.	—	(847,605)	(847,605)
Millicom International Operations B.V.	12,926,560	(13,097,793)	(171,233)
Millicom International B.V.	—	(72,812)	(72,812)
Comvik International AB	23,357	(84,365)	(61,007)
Millicom Services AB	17,751	(22,860,501)	(22,842,750)
Millicom International Ventures AB	82,618	(202,136)	(119,518)
Millicom Digital Ventures AB	18,135	(100,942)	(82,807)
Millicom International Enterprises AB	443	(17,156,492)	(17,156,050)
Millicom SSC, S.A. de C.V.	211,311	(3,179,866)	(2,968,554)
Millicom International Services Llc	10,126,225	(67,620,439)	(57,494,214)
Millicom Americas L.L.C.	2,111,612	(2,542,729)	(431,117)
	45,341,053	(740,924,859)	(695,583,803)

Amounts owed to affiliated undertakings becoming due and payable after more than one year are detailed below:

	Total December 31, 2020		
	Amounts owed to	**Amounts owed by**	**Net balance**
Millicom Re S.A.(1)	(900,000)	—	(900,000)
	(900,000)	**—**	**(900,000)**

(1) On July 6, 2017, the Company entered into an interest-free Loan Facility Agreement with Millicom Re S.A. The value of the facility is US$900,000. Unless repaid earlier, the Company shall repay the principal amount in one final installment, which will be due and payable on December 31, 2022.

	Total December 31, 2019		
	Amounts owed to	Amounts owed by	Net balance
Millicom Re S.A.(1)	(900,000)	—	(900,000)
Millicom International II N.V.	(148,500,000)	—	(148,500,000)
	(149,400,000)	—	(149,400,000)

NOTE 12—AMOUNTS OWED TO AFFILIATED UNDERTAKINGS IN WHICH THE COMPANY IS LINKED BY PARTICIPANTS INTERESTS

Amounts owed to undertakings in which the Company is linked by participating interests are detailed below:

	Total December 31, 2020		
	Amounts owed to	**Amounts owed by**	**Net balance**
Servicios Especializados en Telecomunicaciones, S. A.	(367,475)	—	(367,475)
Navega.Com, S.A.	(697,410)	70,168	(627,242)
	(1,064,885)	**70,168**	**(994,717)**

	Total December 31, 2019		
	Amounts owed to	Amounts owed by	Net balance
Distribuidora Central de Comunicaciones, S. A.	(1,011,126)	—	(1,011,126)
	(1,011,126)	—	(1,011,126)

NOTE 13—OTHER CREDITORS

As at December 31, 2020, amounts due to other creditors becoming due and payable within one year amounted to US$72 million (2019: US$92 million) and mainly related to accrued interest payable on debt and accrued expenses for legal and other professional fees. Amounts due to other creditors becoming due and payable after more than one year amounted to US$1 million (2019: US$1 million) and is related to long term lease liabilities.

NOTE 14—OTHER OPERATING INCOME

Amount is composed as follows:

	Total December 31, 2020	Total December 31, 2019
	US$	US$
Value creation fees	190,663,492	142,066,480
Other intercompany revenue	18,216,941	18,098,862
Other income	260,269	316,663
	209,140,702	160,482,005

NOTE 15—STAFF COSTS

The average number of permanent full-time employees during 2020 was 33 (2019: 34) including 14 IP Branch employees.

NOTE 16—OTHER OPERATING CHARGES

Amount is composed as follows:

	Total December 31, 2020	Total December 31, 2019
	US$	US$
Director fees(1)	2,647,725	2,337,482
Business support services(2)	95,164,843	113,202,266
Bandwidth charges	11,836,570	8,675,859
Consultancy fees	9,610,335	29,144,781
Legal fees	8,530,343	15,511,395
Tax, accounting and audit charges	6,264,075	16,663,436
External services	13,952,454	14,494,157
Other	19,361,457	18,906,681
	167,367,802	218,936,057

(1) Directors fees expenses includes the cost of 32,358 shares (2019: 19,483 shares) vested to Directors during the year for US$1 million (2019: US$0.6 million). The share price were valued at average acquisition price at US$57.64 (2019: US$88.31).

(2) Business support services represent the expenses incurred by the regional offices in Miami and U.K. which are recharged to the Company. These expenses are further recharged by the Company to the Group entities through the Value Creation Fees.

NOTE 17—INCOME FROM PARTICIPATING INTERESTS DERIVED FROM AFFILIATED UNDERTAKINGS

In 2020, the Company received dividends of US$864 million (2019: US$996 million), including US$24 million from Millicom Services AB, (2019: US$22 million), US$834 million from Millicom International Operations S.A. (2019: US$971 million) as well as US$5 million from Millicom International Services UK Ltd. (2019: US$3 million).

NOTE 18—OTHER INTEREST AND SIMILAR INCOME

Amount is composed as follows:

	Total December 31, 2020	Total December 31, 2019
	US$	US$
Interest income	4,636,603	7,621,909
Foreign exchange (loss) gain	(790,691)	2,836,663
	3,845,912	10,458,572

NOTE 19—VALUE ADJUSTMENTS IN RESPECT OF FINANCIAL ASSETS AND OF INVESTMENTS HELD AS CURRENT ASSETS

Amount is composed as follows:

	Total December 31, 2020	Total December 31, 2019
(Impairment) / Reversal of impairment on own shares (Note 7)	6,271,473	(8,716,077)
Loss on disposal of other investments(1)	(3,651,147)	—
Value adjustments on shares in and loans on affiliated undertakings (Note 5)	(621,170,641)	(17,489,772)
Total	**(618,550,315)**	(26,205,849)

(1) In June 2020, the Company sold its entire investment in Jumia Technology for US$28.8 million, generating a loss of US$3.7 million.

NOTE 20—OTHER INTEREST AND SIMILAR EXPENSES

	Total December 31, 2020	Total December 31, 2019
Interest on bonds/loans	163,241,033	163,254,983
Early redemption charges (Note 10)	15,000,000	—
Amortization of bond issuance cost (Note 8)	14,130,846	5,722,557
Interest on finance leases	46,358	—
Other	5,863,383	3,391,017
	198,281,620	172,387,807

NOTE 21—TAX ON PROFIT OR LOSS

The Company is subject to all taxes applicable to a Luxembourg Société Anonyme. The Company has been granted fiscal unity with other Luxembourg-based entities of the group.

Tax charges for 2020 included withholding taxes on consultancy, royalty and technical fees charged to affiliated companies for US$11.0 million (2019: US$7 million).

The tax losses carried forward of MICSA fiscal unity amount to approximately US$3.9 billion. Per Luxembourg tax law, approximately US$0.5 billion expire in 17 years, the other US$3.4 billion do not expire.

NOTE 22—COMMITMENTS AND CONTINGENCIES

The Company has contingent liabilities with respect to lawsuits and other matters that arise in the normal course of business.

As at December 31, 2020, the total amount of claims, litigation and tax risks against the Company was US$16 million (2019: US$10 million) of which US$8.5 million was provided for (2019: US$2.0 million).

Capital commitments
As at December 31, 2020, the Company has commitments for a total amount of US$23 million (2019: US$24 million) that corresponds mainly to a "Converged Cloud" project as part of the transformation to 5G which cannot be launched without cloudifying the network. The initial agreements with the vendors were for a total of US$29 million, the remaining amount as of December 31, 2020 is US$21 million of which US$9 million are due within one year.

Dividends
The ability of the Company to make dividend payments is subject to, amongst others, the terms of the indebtedness, local legal restrictions and the ability to repatriate funds from the Company's various operations.

NOTE 23—RELATED PARTY TRANSACTIONS

Subsidiaries, joint-ventures and associates of Millicom Group

The Company conducts transactions with subsidiaries, joint-ventures and associates of the Millicom Group on regular commercial terms and conditions. These transactions may include loans granted/received to/from group entities (notes 6 and 12), intercompany recharges in connection with delivery/reception of services (note 14 and note 16) and other operations.

NOTE 24—AUDIT FEES

Art. 65 paragraph (1) 16° of the Law of December 19, 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings (the "law") requires the disclosure of the independent auditor fees. In conformity with the law these details have been omitted as the Company prepares consolidated accounts in which this information is disclosed and these consolidated accounts and the related consolidated management report and auditors' report thereon have been lodged with the Luxembourg Trade Registry.

NOTE 25—SUBSEQUENT EVENTS

On February 11, 2021, Millicom announced that it had given notice to holders of its Notes due 2026, 2028 and 2029, of the company's intention to exercise its right to call 10% of the principal outstanding of these Notes at a price of 103%. Total consideration of approximately $180 million will be funded from cash, consistent with the Company's decision to prioritize debt reduction.

On February 23, 2021, the Company and Telefonía Celular de Nicaragua S.A. signed a loan agreement for US$80 million due on February 23, 2022. The proceeds will be used for working capital purposes.