

# **MILlicom INTERNATIONAL CELLULAR S.A.**

*Société anonyme*

**Registered Address:**

**2, Rue du Fort Bourbon**

**L-1249 Luxembourg, Grand-Duchy of Luxembourg**

**- R.C.S. Luxembourg: B40630 –  
("Millicom" or the "Company")**

## **SPECIAL REPORT**

### **OF THE BOARD OF DIRECTORS TO THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ("EGM") IN ACCORDANCE WITH ARTICLE 420-26 (5) OF THE LAW OF 10 AUGUST 1915 ON COMMERCIAL COMPANIES, AS AMENDED**

We, the Board of Directors of the Company,

considering the contemplated EGM of the Company reconvened to be held on or about February 28, 2022 and which is to resolve, *inter alia*, to increase the authorized capital of the Company to three hundred million United States Dollars (USD 300,000,000) divided into two hundred million (200,000,000) shares with a par value of one dollar fifty cents (USD 1.50) per share, in accordance with the requirements of Article 420-26 (5) of the law of 10 August 1915 on commercial companies, as amended (the "**Law**"), valid as from the date of the EGM until 4 May 2023, and

clarifying that the increase of the authorized capital of the Company shall not in any way amend or increase the existing authorization of the Board to remove or limit the preferential subscription right of the Shareholders in case of issue of shares against payment in cash to a maximum of new shares representing 5% of the then outstanding shares (including shares held in treasury by the Company itself), and

acknowledging that it is our legal duty to inform the EGM of the Company of the reasons that can motivate such increase in the authorized capital, therefore present this report to the EGM pursuant to Article 420-26 (5) of the Law.

We ask the EGM to increase the authorized capital to enable the Board to proceed with the rights offering announced by way of press release published on November 11, 2021, as well as maintaining the ratio between authorized and issued share capital within the

market practice. Further information on the planned rights issue will be disclosed at a later date.

In the future, we may also have to use the authorized capital for various purposes, notably, without limitation, to finance the Company, to offer the possibility to third parties to subscribe for shares in the Company in the context of specific transactions entered by the Company and/or its direct or indirect subsidiaries, as well as to afford employee incentives in the form of participation in the equity of the Company through the issuance of new shares.

Depending on the context and the purpose of any share issuance, the shares may be offered at a subscription price that may vary from the nominal value of the shares or the then market price of the outstanding shares, and shares may be issued with or without a premium.

The powers of the Board of Directors to realize any increase of the issued capital and to remove or limit the preferential subscription right of the shareholders when issuing new shares under the authorized capital (i.e., capped to a maximum of new shares representing 5% of the then outstanding shares) remain **unchanged**.

As such, Article 5, of the Articles of Association of the Company shall read as follows upon the proposed increase of the authorized capital of the Company:

*The Company has an authorized capital of three hundred million United States Dollars (USD 300,000,000) divided into two hundred million (200,000,000) shares with a par value of one dollar fifty cents (USD 1.50). The Company has an issued capital of one hundred and fifty-two million, six hundred and eight thousand, eight hundred and twenty-five dollars and fifty cents (United States Dollars) (USD 152,608,825.50) represented by one hundred and one million, seven hundred and thirty-nine thousand, two hundred and seventeen (101,739,217) shares with a par value of one dollar and fifty cents (USD 1.50) each, fully paid-in.*

*The authorized capital of the Company may be increased or reduced by a resolution of the shareholders of the Company (the "Shareholder(s)") adopted in the manner required by the Law for amendment of these Articles.*

*The Board is authorized and empowered to:*

- (i) realize any increase of the issued capital within the limits of the authorized capital in one or several successive tranches, by issuing of new shares, against payment in cash or in kind, by conversion of claims, integration of distributable reserves or premium reserves, or in any other manner;*
- (ii) determine the place and date of the issue or the successive issues, the issue price, the terms and conditions of the subscription of and paying up on the new shares; and*

*(iii) remove or limit the preferential subscription right of the Shareholders in case of issue of shares against payment in cash to a maximum of new shares representing 5% of the then outstanding shares (including shares held in treasury by the Company itself).*

*This authorization is valid until 4 May 2023, and it may be renewed by an extraordinary general meeting of the Shareholders for those shares of the authorized corporate capital which up to then will not have been issued by the Board.*

*Following each increase of the corporate capital realized and duly stated in the form provided for by the Law, the first paragraph of this article 5 will be modified so as to reflect the actual increase; such modification will be recorded in authentic form by the Board or by any person duly authorized and empowered by it for this purpose.*

If and when new shares are to be issued, we will always act in good faith and consider the Company's best interest.

For and on behalf of the Board of Directors of the Company,

Dated 24 January 2022