

Non-IFRS Measures

This press release contains financial measures not prepared in accordance with IFRS. These measures are referred to as “non-IFRS” measures and include: non-IFRS service revenue, non-IFRS EBITDA, and non-IFRS Capex, among others defined below. Annual growth rates for these non-IFRS measures are often expressed in organic constant currency terms to exclude the effect of changes in foreign exchange rates, the adoption of new accounting standards, and are proforma for material changes in perimeter due to acquisitions and divestitures. The non-IFRS financial measures are presented in this press release as Millicom’s management believes they provide investors with an additional information for the analysis of Millicom’s results of operations, particularly in evaluating performance from one period to another. Millicom’s management uses non-IFRS financial measures to make operating decisions, as they facilitate additional internal comparisons of Millicom’s performance to historical results and to competitors’ results, and provides them to investors as a supplement to Millicom’s reported results to provide additional insight into Millicom’s operating performance. Millicom’s Remuneration Committee uses certain non-IFRS measures when assessing the performance and compensation of employees, including Millicom’s executive directors.

The non-IFRS financial measures used by Millicom may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies - refer to the section “Non-IFRS Financial Measure Descriptions” for additional information. In addition, these non-IFRS measures should not be considered in isolation as a substitute for, or as superior to, financial measures calculated in accordance with IFRS, and Millicom’s financial results calculated in accordance with IFRS and reconciliations to those financial statements should be carefully evaluated.

Following the changes in perimeter following the Guatemala acquisition and the Africa disposal, Millicom's management modified the company's external reporting with the primary objective of simplifying it. As a result, the Group has discontinued the use of the following non-IFRS measures: Proportionate financial obligations, Proportionate leverage, Proportionate leverage after leases, and all Underlying measures (as these mainly reflected the full consolidation of Guatemala). The definitions of EBITDA and Return on Invested Capital have been adjusted to reflect this change. In addition, the Group changed the definition of Equity Free Cash Flow to include spectrum paid and lease principal repayments in response to feedback from users of our financial statements who prefer a more comprehensive view of our cash flow generation. As a result we no longer refer to Equity Free Cash Flow 'after Leases'.

Non-IFRS Financial Measure Descriptions

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

EBITDA is operating profit excluding impairment losses, depreciation and amortization, and gains/losses on fixed asset disposals.

EBITDA after Leases (EBITDAaL) represents EBITDA after lease interest and principal repayments.

EBITDA Margin represents EBITDA in relation to Revenue.

Organic growth represents year-on-year growth excluding the impact of changes in FX rates, perimeter, and accounting. Changes in perimeter are the result of acquisitions and divestitures. Results from divested assets are immediately removed from both periods, whereas the results from acquired assets are included in both periods at the beginning (January 1) of the first full calendar year of ownership.

Net debt is Debt and financial liabilities less cash and pledged and time deposits.

Net financial obligations is Net debt plus lease liabilities.

Leverage is the ratio of net financial obligations over LTM (Last twelve month) EBITDA, proforma for acquisitions made during the last twelve months.

Leverage after leases is the ratio of net debt over LTM (Last twelve month) EBITDA after leases, proforma for acquisitions and disposals made during the last twelve months.

Capex is balance sheet capital expenditure excluding spectrum and license costs and lease capitalizations.

Cash Capex represents the cash spent in relation to capital expenditure, excluding spectrum and licenses costs.

Operating Cash Flow (OCF) is EBITDA less Capex.

Operating Free Cash Flow (OFCF) is EBITDA, less cash capex, less spectrum paid, working capital and other non-cash items, and taxes paid.

Non-IFRS Measures

Q4 2022



Equity Free Cash Flow (EFCF) is OCF less finance charges paid (net), lease interest payments, lease principal repayments, and advances for dividends to non-controlling interests, plus cash repatriation from joint ventures and associates.

Operating Profit After Tax displays the profit generated from the operations of the company after statutory taxes.

Return on Invested Capital (ROIC) is used to assess the Group's efficiency at allocating the capital under its control to and is defined as Operating Profit After Tax divided by the average invested Capital during the period.

Average Invested Capital is the capital invested in the company operation throughout the year and is calculated with the average of opening and closing balances of the total assets minus current liabilities (excluding debt, joint ventures, accrued interests, deferred and current tax, cash as well as investments and non-controlling interests), less assets and liabilities held for sale.

Average Revenue per User per Month (ARPU) for our Mobile customers is (x) the total mobile and mobile financial services revenue (excluding revenue earned from tower rentals, call center, data and mobile virtual network operator, visitor roaming, national third parties roaming and mobile telephone equipment sales revenue) for the period, divided by (y) the average number of mobile subscribers for the period, divided by (z) the number of months in the period. We define ARPU for our Home customers as (x) the total Home revenue (excluding equipment sales, TV advertising and equipment rental) for the period, divided by (y) the average number of customer relationships for the period, divided by (z) the number of months in the period. ARPU is not subject to a standard industry definition and our definition of ARPU may be different from other industry participants.

Please refer to our 2021 Annual Report for a list and description of non-IFRS measures.

Non-IFRS Reconciliations

Reconciliation from Reported Growth to Organic Growth for the Group

(\$ millions)	Revenue	Service Revenue	EBITDA	OCF
	Q4 2022	Q4 2022	Q4 2022	Q4 2022
A- Current period	1,381	1,276	548	282
B- Prior year period	1,254	1,155	461	77
C- Reported growth (A/B)	10.1%	10.5%	18.8%	266.7%
D- Perimeter	15.6%	14.4%	22.6%	134.8%
E- FX and other	(6.3)%	(6.3)%	(5.6)%	61.2%
F- Organic Growth (C-D-E)	0.9%	2.3%	1.8%	70.8%

**Organic growth calculated by re-basing all periods to the budget FX rates of the current year. This creates small differences captured in "Other". Capex included in OCF is assumed to be in USD and is not rebased.*

(\$ millions)	Revenue	Service Revenue	EBITDA	OCF
	FY 2022	FY 2022	FY 2022	FY 2022
A- Current period	5,624	5,171	2,228	1,255
B- Prior year period	4,261	3,997	1,517	595
C- Reported growth (A/B)	32.0%	29.4%	46.8%	111.0%
D- Perimeter	32.2%	29.4%	49.2%	104.4%
E- FX and other	(3.5)%	(3.5)%	(3.5)%	(1.8)%
F- Organic Growth (C-D-E)	3.3%	3.5%	1.2%	8.4%

**Organic growth is calculated by re-basing all periods to the budget FX rates of the current year. This creates small differences captured in "Other". Capex included in OCF is assumed to be in USD and is not rebased.*

Reconciliation of Net financial obligations to EBITDA as of December 31, 2022

Debt Information - December 31, 2022	Financial obligations			EBITDA	Leverage
	\$ millions	Gross	Cash		
Millicom Group (IFRS)	7,820	1,039	6,780	2,228	3.04x

Non-IFRS Measures

Q4 2022



MILLICOM
THE DIGITAL LIFESTYLE



One-off Summary - Items above EBITDA

2022 (\$ millions)	Q4 2022		FY 2022		Comment (Q4 2022)
	Revenue	EBITDA	Revenue	EBITDA	
Panama	—	—	—	5	
Colombia	—	—	—	(4)	
Corporate	—	—	—	(7)	
Group Total	—	—	—	(7)	

2021 (\$ millions)	Q4 2021		FY 2021		Comment (Q4 2021)
	Revenue	EBITDA	Revenue	EBITDA	
Paraguay	—	—	(4)	(4)	
Group Total	—	—	(4)	(4)	

ARPU reconciliations

Mobile ARPU Reconciliation	Q4 2022	Q4 2021	FY 2022	FY 2021
Mobile service revenue (\$m)	735	752	2,957	2,933
Mobile Service revenue (\$m) from non-Tigo customers (\$m) *	(9)	(10)	(43)	(30)
Mobile Service revenue (\$m) from Tigo customers (A)	725	742	2,914	2,903
Mobile customers - end of period (000)	40,576	39,802	40,576	39,802
Mobile customers - average (000) (B) **	40,295	39,387	40,041	38,393
Mobile ARPU (USD/Month) (A/B/number of months)	6.0	6.3	6.1	6.3

* Refers to production services, MVNO, DVNO, equipment rental revenue, call center revenue, national roaming, equipment sales, visitor roaming, tower rental, DVNE, and other non-customer driven revenue.

** Average QoQ for the quarterly view is the average of the last quarter.

Home ARPU Reconciliation	Q4 2022	Q4 2021	FY 2022	FY 2021
Home service revenue (\$m)	375	401	1,555	1,590
Home service revenue (\$m) from non-Tigo customers (\$m) *	(9)	(8)	(33)	(29)
Home service revenue (\$m) from Tigo customers (A)	366	393	1,522	1,561
Customer Relationships - end of period (000) **	4,811	4,704	4,811	4,704
Customer Relationships - average (000) (B) ***	4,796	4,688	4,765	4,575
Home ARPU (USD/Month) (A/B/number of months)	25.4	27.9	26.6	28.4

* TV advertising, production services, equipment rental revenue, call center revenue, equipment sales and other non customer driven revenue.

** Represented by homes connected all technologies (HFC/FTTH + Other Technologies + DTH & Wimax RGUs).

*** Average QoQ for the quarterly view is the average of the last quarter.

OCF (EBITDA- Capex) Reconciliation

Group OCF	Q4 2022	Q4 2021	FY 2022	FY 2021
EBITDA	548	461	2,228	1,517
(-)Capex (Ex. Spectrum)	266	384	973	922
OCF	282	77	1,255	595

Non-IFRS Measures

Q4 2022



Capex Reconciliation

Capex Reconciliation	Q4 2022	Q4 2021	FY 2022	FY 2021
Consolidated:				
Additions to property, plant and equipment	235	338	823	787
Additions to licenses and other intangibles	65	66	345	164
<i>Of which spectrum and license costs</i>	34	19	195	29
Total consolidated additions	300	403	1,167	951
<i>Of which capital expenditures related to headquarters</i>	3	3	14	10

Foreign Exchange rates

		Average FX rate (vs. USD)					End of period FX rate (vs. USD)				
		Q4 22	Q3 22	QoQ	Q4 21	YoY	Q4 22	Q3 22	QoQ	Q4 21	YoY
Bolivia	BOB	6.91	6.91	0.0%	6.91	0.0%	6.91	6.91	0.0%	6.91	0.0%
Colombia	COP	4,743	4,340	(8.5)%	3,903	(17.7)%	4,810	4,532	(5.8)%	3,981	(17.2)%
Costa Rica	CRC	615	663	7.9%	637	3.6%	602	633	5.1%	645	7.2%
Guatemala	GTQ	7.85	7.78	(0.9)%	7.73	(1.6)%	7.85	7.88	0.4%	7.72	(1.7)%
Honduras	HNL	24.70	24.57	(0.5)%	24.25	(1.8)%	24.66	24.70	0.2%	24.43	(0.9)%
Nicaragua	NIO	36.14	35.96	(0.5)%	35.43	(2.0)%	36.23	36.05	(0.5)%	35.52	(2.0)%
Paraguay	PYG	7,232	6,929	(4.2)%	6,886	(4.8)%	7,346	7,091	(3.5)%	6,886	(6.3)%

Equity Free Cash Flow Reconciliation

Cash Flow Data	Q4 2022	Q4 2021	FY 2022	FY 2021
Net cash provided by operating activities	417	439	1,284	956
Purchase of property, plant and equipment	(175)	(262)	(800)	(740)
Proceeds from sale of property, plant and equipment	13	5	21	11
Purchase of intangible assets	(17)	9	(179)	(98)
Purchase of spectrum and licenses	(18)	(12)	(93)	(37)
Proceeds from sale of intangible assets	—	—	—	—
Finance charges paid, net	118	115	530	491
Operating free cash flow	338	295	765	582
Interest (paid), net	(118)	(115)	(530)	(491)
Lease Principal Repayments	(37)	(47)	(157)	(137)
Free cash flow	182	133	77	(46)
Repatriation from joint ventures and associates	24	13	88	62
Dividends paid to non-controlling interests	(1)	—	(4)	(6)
Equity free cash flow	206	145	161	10
Less: Equity free cash flow - Africa	—	10	(10)	(2)
Equity free cash flow - excluding Africa	206	136	171	12

Non-IFRS Measures

Q4 2022



Rebased Selected Financial Indicators

In order to aid investors track the company's performance in future periods, the table that follows rebases a selection of 2022 full year financial indicators to reflect the disposal of Tanzania's operation on April 5, 2022.

(\$ millions)	Capex	OCF
2022 Group	973	1,255
Tanzania eliminations	(8)	8
2022 Group rebased	964	1,264