

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.

The following changes were made to some definitions of the Group’s non-IFRS financial measures as disclosed in the 2022 Annual Report: the definition of ‘EBITDA after leases’ has changed from lease cash payments to income statement line items (interest expense and depreciation charge). This does not change the manner in which we calculate Equity Free Cash Flow, but aligns our calculation for leverage purposes with peers. The definition of Net Debt has changed to include derivative financial instruments in order to have a more comprehensive view of our financial obligations. Finally, Home ARPU has changed to include equipment rental in our Home revenue, as these are long-term payment plans.

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 expense and depreciation charge.

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, including derivative instruments (assets and 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.

Equity Free Cash Flow (EFCF) is OFCF less finance charges paid (net), lease interest payments, lease principal repayments, and

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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 and TV advertising) 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 2022 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
	Q3 2023	Q3 2023	Q3 2023	Q3 2023
A- Current period	1,424	1,320	533	353
B- Prior year period	1,388	1,280	539	286
C- Reported growth (A/B)	2.6%	3.2%	(1.2)%	23.3%
D- Perimeter	—%	—%	—%	—%
E- FX and other*	1.2%	1.4%	0.8%	1.0%
F- Organic Growth (C-D-E)	1.4%	1.8%	(2.0)%	22.3%

*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
	9M 2023	9M 2023	9M 2023	9M 2023
A- Current period	4,186	3,875	1,555	1,008
B- Prior year period	4,243	3,895	1,680	973
C- Reported growth (A/B)	(1.4)%	(0.5)%	(7.5)%	3.6%
D- Perimeter*	—%	—%	—%	0.8%
E- FX and other**	(2.5)%	(2.5)%	(2.0)%	(4.0)%
F- Organic Growth (C-D-E)	1.1%	2.0%	(5.4)%	6.7%

*Capex in 9M 2022 included \$8 million of capex related to our Africa operations, which are adjusted for in the OCF perimeter line.

**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.

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Reconciliation of Net financial obligations to EBITDA as of September 30, 2023

Debt Information - September 30, 2023	Financial obligations				EBITDA	Leverage
	Gross	Derivative Financial Instruments	Less: Cash	Net		
\$ millions						
Millicom Group (IFRS)	7,741	53	765	7,028	2,103	3.34x

EBITDA after Leases reconciliation

EBITDA after Leases Reconciliation	Q3 2023	Q2 2023	Q1 2023	Q4 2022
EBITDA	533	515	507	548
Depreciation of right-of-use assets	(47)	(45)	(42)	(42)
Interest expense on leases	(30)	(30)	(29)	(29)
EBITDA after Leases	456	440	436	476

One-off Summary - Items above EBITDA

2023 (\$ millions)	Q3 2023		9M 2023		Comment (Q3 2023)
	Revenue	EBITDA	Revenue	EBITDA	
Bolivia	—	—	—	2	
Colombia	—	(11)	—	(28)	Legal rulings
Panama	—	—	—	(1)	
Paraguay	—	(2)	—	(5)	Everest restructuring
Corporate*	—	(20)	—	(29)	Everest restructuring
Group Total	—	(33)	—	(63)	
Honduras (JV)	—	—	—	(2)	

* Includes smaller Everest-related items from various countries totaling approximately \$1 million in aggregate.

2022 (\$ millions)	Q3 2022		9M 2022		Comment (Q3 2022)
	Revenue	EBITDA	Revenue	EBITDA	
Panama	—	—	—	5	
Colombia	—	—	—	(4)	
Corporate	—	(7)	—	(7)	Early termination of software contract
Group Total	—	(7)	—	(7)	

ARPU reconciliations

Mobile ARPU Reconciliation	Q3 2023	Q3 2022	9M 2023	9M 2022
Mobile service revenue (\$m)	759	735	2,219	2,222
Mobile Service revenue (\$m) from non-Tigo customers (\$m) *	(13)	(12)	(37)	(33)
Mobile Service revenue (\$m) from Tigo customers (A)	746	723	2,181	2,189
Mobile customers - end of period (000)	40,767	40,014	40,767	40,014
Mobile customers - average (000) (B) **	40,684	39,935	40,627	39,907
Mobile ARPU (USD/Month) (A/B/number of months)	6.1	6.0	6.0	6.1

* 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.

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Home ARPU Reconciliation	Q3 2023	Q3 2022	9M 2023	9M 2022
Home service revenue (\$m)	387	383	1,152	1,180
Home service revenue (\$m) from non-Tigo customers (\$m) *	(6)	(8)	(21)	(24)
Home service revenue (\$m) from Tigo customers (A)	381	375	1,131	1,156
Customer Relationships - end of period (000) **	4,554	4,780	4,554	4,780
Customer Relationships - average (000) (B) ***	4,607	4,774	4,700	4,754
Home ARPU (USD/Month) (A/B/number of months)	27.6	26.2	26.7	27.0

Beginning in Q1 2023 the calculation of Home ARPU now includes equipment rental.

* 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	Q3 2023	Q3 2022	9M 2023	9M 2022
EBITDA	533	539	1,555	1,680
(-)Capex (Ex. Spectrum)	180	253	547	707
OCF	353	286	1,008	973

Capex Reconciliation

Capex Reconciliation	Q3 2023	Q3 2022	9M 2023	9M 2022
Consolidated:				
Additions to property, plant and equipment	157	210	472	588
Additions to licenses and other intangibles	39	88	407	280
Of which spectrum and license costs	16	45	333	161
Total consolidated additions	196	298	880	868
Of which capital expenditures related to headquarters	2	5	7	12

Foreign Exchange rates

		Average FX rate (vs. USD)					End of period FX rate (vs. USD)				
		Q3 23	Q2 23	QoQ	Q3 22	YoY	Q3 23	Q2 23	QoQ	Q3 22	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	4,063	4,474	10.1%	4,340	6.8%	4,054	4,191	3.4%	4,532	11.8%
Costa Rica	CRC	545	548	0.5%	663	21.7%	542	549	1.3%	633	16.7%
Guatemala	GTQ	7.86	7.82	(0.5)%	7.78	(1.0)%	7.86	7.85	(0.2)%	7.88	0.3%
Honduras	HNL	24.67	24.64	(0.1)%	24.57	(0.4)%	24.70	24.65	(0.2)%	24.70	0.0%
Nicaragua	NIO	36.49	36.40	(0.2)%	35.96	(1.4)%	36.53	36.44	(0.3)%	36.05	(1.3)%
Paraguay	PYG	7,283	7,242	(0.6)%	6,929	(4.9)%	7,296	7,266	(0.4)%	7,091	(2.8)%

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Equity Free Cash Flow Reconciliation

Cash Flow Data	Q3 2023	Q3 2022	9M 2023	9M 2022
Net cash provided by operating activities	347	309	826	868
Purchase of property, plant and equipment	(170)	(219)	(599)	(625)
Proceeds from sale of property, plant and equipment	3	2	11	8
Purchase of intangible assets and licenses	(36)	(36)	(128)	(161)
Purchase of spectrum and licenses	(12)	(26)	(113)	(75)
Proceeds from sale of intangible assets	—	—	—	—
Finance charges paid, net	165	150	453	412
Operating free cash flow	297	180	449	427
Interest (paid), net	(165)	(150)	(453)	(412)
Lease Principal Repayments	(45)	(37)	(129)	(120)
Free cash flow	87	(7)	(132)	(105)
Repatriation from joint ventures and associates	13	36	75	63
Dividends paid to non-controlling interests	—	(1)	—	(3)
Equity free cash flow	100	28	(57)	(45)
Less: Equity free cash flow - Africa	—	2	—	(10)
Equity free cash flow - excluding Africa	100	26	(57)	(35)