

**Tigo Guatemala Companies**  
**Unaudited Interim Condensed**  
**Combined Financial Statements**  
**For the nine-month period ended September 30, 2022**

November 28, 2022

Unaudited interim condensed combined income statement for the  
nine-month period ended September 30, 2022

US\$ '000	Notes	Nine months ended September 30, 2022	Nine months ended September 30, 2021
<b>Revenue from contracts with customers</b> .....	4	<b>1,213,873</b>	<b>1,190,224</b>
Cost of sales.....		(287,296)	(263,728)
<b>Gross profit</b> .....	4	<b>926,577</b>	<b>926,496</b>
Operating Expenses.....		(282,944)	(280,399)
Depreciation & amortization.....		(179,166)	(178,692)
Other operating income (expenses), net.....		(5,169)	(1,003)
<b>Operating profit</b> .....	4	<b>459,298</b>	<b>466,402</b>
Interest expense .....	10	(73,891)	(42,780)
Interest and other financial income.....		27,739	6,639
Foreign exchange gain (loss), net.....		1,263	(515)
<b>Profit before taxes</b> .....		<b>414,409</b>	<b>429,746</b>
Charge for taxes, net.....		(68,148)	(67,355)
<b>Net profit for the period</b> .....		<b>346,261</b>	<b>362,391</b>

The accompanying notes are an integral part of these combined financial statements.

## Unaudited Interim Condensed Combined Statement of Comprehensive Income for the nine-month period ended September 30, 2022

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Net profit for the period.....	346,261	362,391
<b>Other comprehensive income, net of tax:</b>		
<i>Item that may be reclassified to the income statement in subsequent periods</i>		
Exchange differences on translation of operations to the US dollars reporting currency.....	(13,769)	5,282
<b>Total comprehensive income for the period.....</b>	<b>332,492</b>	<b>367,673</b>

The accompanying notes are an integral part of these combined financial statements.

**Unaudited interim condensed combined statement of financial position  
as at September 30, 2022**

US\$ '000	Notes	September 30, 2022	December 31, 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets, net.....	6	290,617	291,927
Property, plant and equipment, net.....	7	548,112	550,607
Right of use assets, net.....		171,168	186,265
Contract costs, net.....		2,675	2,354
Deferred tax assets.....		1,383	5,526
Amounts due from related parties.....	8	186,010	10
Income tax assets (i).....		12,025	5,498
Supplier advances for capital expenditure.....		4,575	11,577
Other non-current assets.....		1,761	2,313
<b>TOTAL NON-CURRENT ASSETS.....</b>		<b>1,218,326</b>	<b>1,056,077</b>
<b>CURRENT ASSETS</b>			
Inventories.....		29,720	30,396
Trade receivables, net.....		48,347	52,029
Contract assets, net.....		59,624	54,815
Amounts due from related parties.....	8	979,612	351,239
Prepayments.....		8,101	4,837
, Other current assets (ii).....		23,900	62,116
Restricted cash.....	9	6,895	7,108
Cash and cash equivalents.....	9	139,604	152,958
<b>TOTAL CURRENT ASSETS.....</b>		<b>1,295,803</b>	<b>715,498</b>
<b>TOTAL ASSETS.....</b>		<b>2,514,129</b>	<b>1,771,575</b>

(i) Increase is mainly due to effect of change on current tax calculation methodology, since 2H 2022 it is being calculated based on ETR instead of actual figures.

(ii) The decrease compared to December 31, 2022 is related to a loan advance to Miffin for an amount of \$33.4 million, which was offset by the dividends declared in 2022.

The accompanying notes are an integral part of these combined financial statements.

Unaudited interim condensed combined statement of financial position  
as at September 30, 2022 (continued)

US\$ '000	Notes	September 30, 2022	December 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital and premium.....		8,219	8,219
Equity contribution reserve.....		13,203	13,147
Other reserves.....		79,794	93,563
Retained earnings.....		443,142	565,687
<b>TOTAL EQUITY.....</b>		<b>544,358</b>	<b>680,616</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other debt and financing.....	10	1,477,439	605,250
Lease liabilities.....		163,069	174,478
Provisions and other non-current liabilities.....		64,920	56,752
Deferred tax liabilities.....		10,839	10,781
<b>Total non-current liabilities.....</b>		<b>1,716,267</b>	<b>847,261</b>
<b>Current liabilities</b>			
Other debt and financing.....	10	3,964	-
Lease liabilities.....		32,533	28,589
Amounts due to related parties.....	8	9,512	9,245
Payables and accruals for capital expenditure.....		34,263	33,484
Trade payables.....	11	36,188	35,393
Accrued interest and other expenses.....		60,972	56,426
Current income tax liabilities.....		14,693	15,894
Contract liabilities.....		36,951	38,015
Provisions and other current liabilities.....		24,428	26,652
<b>Total current liabilities.....</b>		<b>253,504</b>	<b>243,698</b>
<b>TOTAL LIABILITIES.....</b>		<b>1,969,771</b>	<b>1,090,959</b>
<b>TOTAL EQUITY AND LIABILITIES.....</b>		<b>2,514,129</b>	<b>1,771,575</b>

The accompanying notes are an integral part of these combined financial statements.

## Unaudited interim condensed combined statement of cash flows for the nine-month period ended September 30, 2022

US\$ '000	Notes	Nine months ended September 30, 2022	Nine months ended September 30, 2021
<b>Cash flows from operating activities</b>			
<b>Profit before taxes</b>		<b>414,409</b>	<b>429,746</b>
<b>Adjustments to reconcile to net cash:</b>			
Interest expense .....		73,891	42,780
Interest and other financial income.....		(27,739)	(6,639)
Foreign exchange (gain) loss.....		(1,263)	515
<b>Adjustments for non-cash items:</b>			
Depreciation and amortization .....	4	179,166	178,692
Loss on disposal and impairment of assets .....	4	4,449	1,297
Share-based compensation .....	5	56	73
		<b>642,969</b>	<b>646,464</b>
(Increase)/decrease in trade receivables, prepayments, contract assets and other current assets.....		(8,424)	10,945
(Increase) in inventories.....		(228)	(10,167)
(Decrease)/increase in trade payables, contract liabilities, and other payables.....		(5,751)	12,890
<b>Changes in working capital</b>		<b>(14,403)</b>	<b>13,668</b>
Interest paid on debt and other financing.....		(51,490)	(29,017)
Interest paid on leases.....		(13,038)	(13,742)
Interest received .....		8,479	19,475
Taxes paid .....		(71,596)	(68,596)
<b>Net cash provided by operating activities</b>		<b>500,921</b>	<b>568,252</b>
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment .....	7	(131,696)	(136,027)
Purchase of intangible assets.....	6	(23,500)	(38,938)
Proceeds from sale of property, plant and equipment.....		512	258
Net decrease in restricted cash .....		(213)	(195)
<b>Net cash used by investing activities</b>		<b>(154,897)</b>	<b>(174,902)</b>
<b>Cash flows from financing activities</b>			
Debt and other financing.....		890,259	—
Repayment of debt and other financing.....		—	(318,538)
Repayment of leases (capital component) .....		(23,025)	(20,075)
Income tax withheld on dividends paid.....		(23,637)	(18,276)
Loans granted to shareholders.....	8	(1,177,208)	—
Payment of dividends.....		(26,603)	(25,124)
<b>Net cash used by financing activities</b>		<b>(360,214)</b>	<b>(382,013)</b>
Exchange gain/(loss) on cash and cash equivalents, net.....		836	(2,543)
<b>Net decrease in cash and cash equivalents</b>		<b>(13,354)</b>	<b>8,794</b>
Cash and cash equivalents at the beginning of the period.....		152,958	188,542
<b>Cash and cash equivalents at the end of the period</b>		<b>139,604</b>	<b>197,336</b>

The accompanying notes are an integral part of these combined financial statements.

**Unaudited interim condensed combined statement of changes in equity for the nine-month period ended September 30, 2022**

US\$ '000	Share capital (000's)	Equity Contribution Reserve (i) (000's)	Other reserves (ii) (000's)	Retained earnings (000's)	Total equity (000's)
<b>Balance on December 31, 2020</b>	<b>8,219</b>	<b>13,070</b>	<b>86,277</b>	<b>471,791</b>	<b>579,357</b>
<i>Profit for the period</i> .....	—	—	—	362,391	362,391
<i>Currency translation differences</i> .....	—	—	5,282	—	5,282
Total comprehensive income for the period	—	—	5,282	362,391	367,673
Dividends .....	—	—	—	(366,102)	(366,102)
Share based compensation.....	—	73	—	—	73
<b>Balance on September 30, 2021</b>	<b>8,219</b>	<b>13,143</b>	<b>91,559</b>	<b>468,080</b>	<b>581,001</b>

<b>Balance on December 31, 2021</b>	<b>8,219</b>	<b>13,147</b>	<b>93,563</b>	<b>565,687</b>	<b>680,616</b>
<i>Profit for the period</i> .....	—	—	—	346,261	346,261
<i>Currency translation differences</i> .....	—	—	(13,769)	—	(13,769)
Total comprehensive income for the period	—	—	(13,769)	346,261	332,492
Dividends .....	—	—	—	(468,806)	(468,806)
Share based compensation.....	—	56	—	—	56
<b>Balance on September 30, 2022</b>	<b>8,219</b>	<b>13,203</b>	<b>79,794</b>	<b>443,142</b>	<b>544,358</b>

(i) Equity contribution reserve is made up only of share-based compensation expense.

(ii) Other reserves include legal reserves of \$93.6 million and currency translation differences for \$(13.8) million in 2022 (2021: \$5.3 million). Legal reserves are not distributable.

## Notes to the unaudited interim condensed combined statements

### 1. GENERAL INFORMATION

The combined financial statements are composed of ten companies all incorporated in Guatemala (the “Combined Group”, “Tigo Guatemala”), as detailed in the table below:

<b>Name of the company</b>
Comunicaciones Celulares, S.A.
Comunicaciones Corporativas, S.A.
Servicios especializados en Telecomunicaciones, S.A.
Distribuidora de Comunicaciones de Occidente, S.A.
Distribuidora Central de Comunicaciones, S.A.
Distribuidora de Comunicaciones de Oriente, S.A.
Distribuidora Internacional de Comunicaciones, S.A.
Servicios Innovadores de Comunicación y Entretenimiento, S.A.
Navega.com, S.A.
Cloud2Nube, S.A.

The Combined Group provides mobile and data telephony services, corporate solutions, fixed-line broadband, fixed-line telephone, cable TV and mobile financial services to retail and business customers in Guatemala.

All Tigo Guatemala Companies have registered offices located at Km 9.5 Carretera a El Salvador, Plaza Tigo Sta. Catarina Pinula, Guatemala. They are owned jointly by Millicom Group (“MIC Group” or “Millicom”), whose ultimate holding company is Millicom International Cellular S.A. (“MIC”).

On November 12, 2021, MIC Group completed the acquisition of the remaining 45% equity interest in its joint venture business in Tigo Guatemala from Miffin, as a result, Millicom owns a 100% equity interest in Tigo Guatemala after such transaction. Tigo Guatemala’s entities form one single business in substance as all the entities have one single common management, prior to that date, the Combined Group shareholders were Millicom Group and Miffin which owned respectively 55% and 45% interests each of Tigo Guatemala. The Combined Group was governed by a shareholders’ agreement.

The Group have combined their financial statements in order to comply with the reporting requirements stipulated in the global program of the emission of a Senior Notes due 2032 for US\$900 million under rule 144A Restricted Global Note, of which Comunicaciones Celulares, S.A. is “the borrower” and Comunicaciones Corporativas, S.A., Distribuidora Central de Comunicaciones, S.A., Distribuidora de Comunicaciones de Occidente, S.A., Distribuidora de Comunicaciones de Oriente, S.A., Distribuidora Internacional de Comunicaciones, S.A., Navega.com, S.A., Servicios Especializados en Telecomunicaciones, S.A., Servicios Innovadores de Comunicación y Entretenimiento, S.A. and Cloud2Nube, S.A., are the guarantors (together, the “Loan Guarantors”). The combined financial statements are intended for use by such investors.

## **2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES**

### **I. Basis of presentation**

These interim condensed combined financial statements of the Combined Group are unaudited. They are presented in US dollars and have been prepared in accordance with International Accounting Standard (“IAS”) 34 ‘Interim Financial Reporting’ as issued by the International Accounting Standards Board (“IASB”). In the opinion of management, these unaudited interim condensed combined financial statements reflect all adjustments that are necessary for a proper presentation of the results for interim periods. The Combined Group’s operations are not affected by significant seasonal or cyclical patterns.

These unaudited condensed interim combined financial statements should be read in conjunction with the combined financial statements for the year ended December 31, 2021. These financial statements are prepared in accordance with consolidation and accounting policies consistent with the December 31, 2021 combined financial statements, except for the changes described below.

### **II. Current macroeconomic environment and its effect on the Group’s business activities, financial situation, and economic performance.**

Inflation in many countries globally has been rising for the past several months due to a variety of factors, including significant disruptions to the global production and distribution of energy and food commodities caused by Russia’s invasion of Ukraine as well as the global response to that invasion. As a result, global economic prospects have been severely affected, including in our market, a situation that is expected to continue at least throughout the remainder of 2022.

The Combined Group continues to monitor the developments of the aforementioned events and their potential impact on performance and accounting considerations.

As of September 30, 2022, and for the nine-month period ended September 30, 2022, management did not identify any significant adverse accounting effects as a result of the above-mentioned events.

### **III. New and amended IFRS standards**

The following changes to standards have been adopted by the Combined Group and did not have any significant impact on the Combined Group’s accounting policies or disclosures and did not require retrospective adjustments:

- IFRS 3 “Business Combinations” - Reference to Conceptual Framework.
- IAS 16 “Property, Plant and Equipment” - Proceeds before intended use.
- IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” - Cost of fulfilling a contract.
- Annual improvements to IFRS Standards 2018-2020, affecting IFRS 1, IFRS 9, IFRS 16 and IAS 41.

Amendments effective for annual periods starting on January 1, 2023, that are not expected to have a significant impact on the Combined Group financial statements:

- Amendments to IAS 1, ‘Disclosure of Accounting Policies’ that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

## **2. SUMMARY OF COMBINATION AND ACCOUNTING POLICIES (continued)**

- Amendments to IAS 1, 'Presentation of Financial Statements': These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability.
- IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates.

The following changes to standards are effective for annual periods starting on January 1, 2023, and their potential impact on the Combined Group financial statements is currently being assessed by Management:

- Amendments to IAS 12, 'Income Taxes: Deferred tax related to Assets and liabilities arising from a Single Transaction' - These amendments clarify that the initial recognition exception does not apply to the initial recognition of leases and decommissioning obligations. These amendments apply prospectively to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, an entity should apply the amendments for the first time by recognizing deferred tax for all temporary differences related to leases and decommissioning obligations at the beginning of the earliest comparative period presented.

The following changes to standards are effective for annual periods starting on January 1, 2024 and their potential impact on the Combined Group financial statements is currently being assessed by Management:

Amendments to IFRS 16 'Leases: Lease Liability in a Sale and Leaseback' - The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

## **3. ACQUISITIONS OF BUSINESS**

During the nine-month period ended September 30, 2022, and 2021, the Combined Group did not complete any acquisition.

**Tigo Guatemala Companies – Unaudited Interim Condensed Combined Financial Statements  
for the nine-month period ended September 30, 2022**

**4. BREAKDOWN OF OPERATING PROFIT**

The gross profit and operating profit of the Combined Group can be summarized as follows for the nine-month period ended September 30, 2022, and September 30, 2021, respectively:

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Tigo Mobile.....	991,684	985,260
Tigo Home.....	164,311	149,908
Tigo Corporate.....	55,100	51,825
MFS (Tigo Money and Tigo Pay) .....	2,778	3,231
<b>Revenue from contracts with customers.....</b>	<b>1,213,873</b>	<b>1,190,224</b>
Cost of rendering telecommunication and other services...	(287,296)	(263,728)
<b>Gross profit.....</b>	<b>926,577</b>	<b>926,496</b>
Depreciation and amortization.....	(179,166)	(178,692)
Dealer commissions.....	(71,106)	(70,733)
Employee related costs (see note 6) .....	(55,038)	(54,401)
Sites and network maintenance.....	(55,761)	(50,690)
External services.....	(22,136)	(31,080)
Other expenses.....	(20,475)	(22,139)
Phone subsidies.....	(23,245)	(19,887)
Advertising and promotion.....	(24,208)	(19,499)
Other fees and costs.....	(11,319)	(11,287)
Loss on disposal and impairment of assets, net.....	(4,449)	(1,297)
Lease expense.....	(376)	(389)
<b>Operating profit.....</b>	<b>459,298</b>	<b>466,402</b>

**5. EMPLOYEE RELATED COSTS**

Employee related costs are comprised of the following for the nine-month period ended September 30, 2022, and September 30, 2021, as follows:

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Wages and salaries.....	(56,224)	(55,095)
Social security.....	(3,424)	(3,470)
Other employee related costs.....	(3,149)	(2,279)
Share based compensation.....	(56)	(73)
Capitalized employee related costs.....	7,815	6,516
<b>Total.....</b>	<b>(55,038)</b>	<b>(54,401)</b>

**6. INTANGIBLE ASSETS**

The Combined Group used cash for intangible assets purchasing during the nine-month period ended September 30, 2022, and September 30, 2021, as follows:

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Additions .....	26,044	35,068
Change in payables for intangible assets.....	(2,544)	3,870
<b>Cash used for the purchase of intangible assets.....</b>	<b>23,500</b>	<b>38,938</b>

**Tigo Guatemala Companies – Unaudited Interim Condensed Combined Financial Statements  
for the nine-month period ended September 30, 2022**

**6. INTANGIBLE ASSETS (continued)**

The charge for amortization of intangible assets for the nine-month period ended September 30, 2022 was \$19 million (September 30, 2021: \$26 million).

During the nine-month period ended September 30, 2022, the Combined Group did not receive any proceeds from disposal of intangible assets (September 30, 2021: nil).

**7. PROPERTY, PLANT AND EQUIPMENT**

The Combined Group used cash for property, plant and equipment purchasing during the nine-month period ended September 30, 2022, and September 30, 2021 as follows:

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Additions.....	143,501	131,906
Change in suppliers' advances.....	(7,000)	13,071
Change in payables for property, plant and equipment.....	(4,805)	(8,950)
<b>Cash used for the purchase of property, plant and equipment</b>	<b>131,696</b>	<b>136,027</b>

The charge for depreciation of property, plant and equipment for the nine-month period ended September 30, 2022 was \$132.9 million (September 30, 2021: \$127.7 million).

The charge for depreciation of right of use assets for the nine-month period ended September 30, 2022 was \$27.2 million (September 30, 2021: \$24.9 million).

During the nine-month period ended September 30, 2022, the Combined Group receive \$512 thousands in cash from disposal of property, plant and equipment (September 30, 2021: \$258 thousands).

**8. RELATED PARTY TRANSACTIONS AND BALANCES**

***Millicom Group subsidiaries***

The Combined Group receives business support and financing from various Millicom Group entities including MIC, S.A. the ultimate holding company Millicom International II NV ("MIC IINV") and Millicom International Operations S.A. ("MIO S.A.").

The Combined Group also recharges to other Millicom Group entities certain services performed on their behalf.

At September 30, 2022, the receivable balance with MIC II NV represents shareholder loans that are due in 2023 and 2024.

***Miffin Associates Corp***

Transactions with Miffin shareholders represent recurring commercial operations such as purchase of handsets, lease of buildings and sites and sale of airtime. Since November 12, 2021, Miffin entities are not considered as related party anymore following MIC group acquisition (see note 1).

**Tigo Guatemala Companies – Unaudited Interim Condensed Combined Financial Statements  
for the nine-month period ended September 30, 2022**

**8. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

The Combined Group have the following balances with related parties as at September 30, 2022, and December 31, 2021, respectively:

US\$ '000	As at September 30, 2022	As at December 31, 2021
<b>Non-current assets</b>		
Millicom International II NV .....	186,000	—
Others.....	10	10
<b>Total.....</b>	<b>186,010</b>	<b>10</b>
<b>Current assets</b>		
Millicom International II NV(i).....	973,963	159,984
MIC S.A.....	2,496	187,923
Other MIC group.....	3,153	3,332
<b>Total.....</b>	<b>979,612</b>	<b>351,239</b>
<b>Current liabilities</b>		
MIC, S.A.....	2,062	2,826
Millicom Spain, S.L.....	2,057	826
Millicom Cable Costa Rica, S.A. ....	1,873	2,651
Other MIC group.....	3,520	2,942
<b>Total.....</b>	<b>9,512</b>	<b>9,245</b>

(i) As at September 30, 2022, the balance includes the Senior Notes net proceeds of \$891.3 million upstreamed to Millicom Group following its receipt as of February 3, 2022.

The following significant transactions were conducted with related parties for the nine-month period ended September 30, 2022, and September 30, 2021, respectively:

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
<b>Income</b>		
Sale of goods and services Miffin (i).....	—	267,857
Sale of goods and services MIC holdings (ii).....	26,547	3,557
Sale of goods and services MIC others.....	5,032	4,805
<b>Total.....</b>	<b>31,579</b>	<b>276,219</b>
<b>Expenses</b>		
Purchases of goods and services Miffin (i).....	—	150,393
Purchase of goods and services MIC holdings.....	831	730
Purchases of goods and services MIC others.....	13,872	14,045
<b>Total.....</b>	<b>14,703</b>	<b>165,168</b>

(i) Since November 12, 2021, Miffin entities are not considered as related parties.

(ii) Mainly include interest income on loan receivables.

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**9. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH**

Cash and cash equivalents comprised as at September 30, 2022, and as at December 31, 2021 respectively:

US\$ '000	As at September 30, 2022	As at December 31, 2021
Cash and cash equivalents in U.S. Dollars.....	64,638	83,827
Cash and cash equivalents in GTQ.....	74,966	69,131
<b>Total cash and cash equivalents.....</b>	<b>139,604</b>	<b>152,958</b>

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the combined statement purpose of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Combined Group's cash management.

Restricted cash comprised as at September 30, 2022, and as at December 31, 2021, respectively:

US\$ '000	As at September 30, 2022	As at December 31, 2021
Restricted cash in GTQ.....	6,895	7,108
<b>Total restricted cash.....</b>	<b>6,895</b>	<b>7,108</b>

Restricted cash mainly refers to cash within the mobile financial services business, which is restricted in accordance with local regulations.

**10. OTHER DEBT AND FINANCING**

Borrowings due after more than one year as at September 30, 2022, and as at December 31, 2021, respectively:

US\$ '000	As at September 30, 2022	As at December 31, 2021
Bank financing.....	592,616	605,250
Bond financing.....	888,787	—
<b>Total other debt and financing.....</b>	<b>1,481,403</b>	<b>605,250</b>

The total amount of debt and financing as at September 30, 2022, and as at December 31, 2021, respectively, is repayable as follows:

US\$ '000	As at September 30, 2022	As at December 31, 2021
Amounts due within 1 to 2 years.....	3,964	—
Amounts due within 2 to 3 years.....	3,964	8,097
Amounts due within 3 to 4 years.....	7,928	8,097
Amounts due within 4 to 5 years.....	304,046	465,985
Amounts due after five years.....	1,161,501	123,071
<b>Total other debt and financing.....</b>	<b>1,481,403</b>	<b>605,250</b>

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for the nine-month period ended September 30, 2022**

**10. OTHER DEBT AND FINANCING (continued)**

The interest expense for the nine-month period ended September 30, 2022, and September 30, 2021, respectively, is comprised as follow:

US\$ '000	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Interest expense on Bonds .....	30,741	—
Interest expense on Bank financing.....	28,478	20,523
Interest expense on Leases .....	12,976	13,574
Other.....	1,696	8,683
<b>Total Interest Expense.....</b>	<b>73,891</b>	<b>42,780</b>

On December 10, 2021, the Combined Group contracted new local bank loans for a total of Q1,450 million (\$187.6 million using the December 10, 2021 GTQ/USD exchange rate of 7.73) with term ranging from four to five years and with an effective interest rate of 6%.

On January 27, 2022, Comunicaciones Celulares, S.A. completed the issuance of Senior Notes due 2032 for US\$900 million under rule 144A Restricted Global Note, bearing interest at 5,125% and due in 2032. The proceeds from this bond were used to repay a significant portion of the bridge financing contracted by Millicom Group to fund the acquisition of the remaining 45% equity interest in the Tigo Guatemala operations.

On April 27, 2022, the Combined Group entered into a new local bank loan with Banrural for Q1,200 million (\$156.9 million using the April 27, 2022 GTQ/USD exchange rate of 7.65) for 5-year term with a fixed interest rate of 6%. The proceed from this new local bank loan was used to repay the local bank loan with Banco Industrial for an amount of Q1,200 million dated October 10, 2020 with an interest range rate within 6.2% and 7.2%.

**Guarantees**

At September 30, 2022, Tigo Guatemala is co-debtor of Comunicaciones Celulares, S.A, Servicios Especializados en Telecomunicaciones, S.A., Servicios Innovadores de Comunicación y Entretenimiento, S.A. and Navega.com, S.A. on bank loans described in this note; these bank loans have a joint fiduciary guarantee.

**Pledged assets**

At September 30, 2022, there were no pledged deposits (2021: \$1.6 million).

**11. TRADE PAYABLES**

Trade payables as at September 30, 2022, and as at December 31, 2021, respectively, are shown below:

US\$ '000	As at September 30, 2022	As at December 31, 2021
T&E suppliers.....	18,750	22,235
Employee-related costs.....	6,081	1,001
Fixed operators.....	3,839	6,160
Programming and Interconnection costs.....	257	2,369
Others.....	7,261	3,628
<b>Total.....</b>	<b>36,188</b>	<b>35,393</b>

*The "others" caption contains the remaining all third-party suppliers of the Combined Group.*

## **12. DIVIDENDS**

The ability of the Combined Group to make dividend payments is subject to, among other things, the terms of indebtedness, legal restrictions, and the ability to repatriate funds. The Combined Group do not have any restriction of dividend payments. By September 30, 2022, the entities of the Combined Group have declared dividends of \$469 million related to the 2021 results. At December 31, 2021, the entities of the Combined Group declared dividends of \$366 million related to 2020 results.

## **13. COMMITMENTS AND CONTINGENCIES**

### ***Operational environment***

The Combined Group operates in Guatemala, where the regulatory, political, technological, and economic environments are evolving. As a result, there are uncertainties that may affect future operations, the ability to conduct business, foreign exchange transactions and debt repayments and which may impact upon agreements with other parties. In the normal course of business, the Combined Group faces uncertainties regarding taxation, interconnect rate, license renewal and tariff arrangements, which can have a significant impact on the long-term economic viability of operations.

### ***Litigation and legal risks***

The Tigo Guatemala are contingently liable with respect to lawsuits and other matters that arise in the normal course of business. As at September 30, 2022, and at December 31, 2021, \$51 thousand in both periods have been accrued for these claims in the combined statement of financial position. Management is of the opinion that while it is impossible to ascertain the ultimate legal and financial liability with respect to these claims, the ultimate outcome of these contingencies is not anticipated to have a material effect on the Combined Group's financial position and operations.

### ***Tax claims***

At September 30, 2022, Navega.Com, S.A. is disputing through an administrative process an adjustment made by the Tax Authorities in regards with the goodwill amortization of approximately \$21.9 million related with business combinations completed in 2011 with an effective date on January 1, 2012. Since the process is in an intermediate stage, no provision has been deemed necessary at September 30, 2022.

In 2007, the tax authorities made an adjustment regarding the stamp tax on dividend distributions made by Comunicaciones Celulares, S.A., to its shareholders in that year. The tax position resulting from the adjustment has been resolved in different ways by the courts, sometimes in favour of the taxpayers, however recently it has solved in favour of the tax authorities. Based on the latest jurisprudence, management decided to recognize, in June 2020, a provision for \$7.3 million. Such provision includes the total adjustment plus a portion of fines and interest and represents management's best estimate of the outcome. This case is in the judicial phase at the Guatemalan Supreme Court.

### ***Capital commitments***

At September 30, 2022, the Combined Group had fixed commitments to purchase network equipment, land and buildings and other fixed assets for \$73 million (2021: \$75 million), from various suppliers.

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**14. FINANCIAL INSTRUMENTS**

Other than the items disclosed below, the fair values of financial assets and financial liabilities approximate their carrying values as at September 30, 2022, and December 31, 2021.

US\$ '000	Carrying Value		Fair Value	
	As at September 30, 2022	As at December 31, 2021	As at September 30, 2022	As at December 31, 2021
<b>FINANCIAL LIABILITIES</b>				
Other debt and financing.....	1,481,403	605,250	1,201,777	605,358

**15. SUBSEQUENT EVENT**

On November 20, 2022, Comunicaciones Celulares, S.A. announced the early tender results of its previously announced offer dated November 4, 2022 to purchase for cash up to U.S.\$90,000,000 in aggregate principal amount of the outstanding 5.125% senior notes due 2032. U.S.\$18,830,000 aggregate principal amount of the Notes had been validly tendered and had exercised its right to have an early settlement on November 21, 2022 with a tender offer equal to U.S.\$822.50. Holders whose Notes are accepted for purchase in the Tender Offer will also receive accrued and unpaid interest on such Notes from the last interest payment date up to, but not including the applicable Settlement Date.

Comcel extended the Offer to Purchase and is scheduled to expire at 11:59 p.m., New York City time, on December 5, 2022. Terms and conditions of the Tender Offer remain unchanged.

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