



Shenandoah Telecommunications Company Issues Letter to Shareholders Regarding Special Dividend

July 6, 2021

EDINBURG, Va., July 06, 2021 (GLOBE NEWSWIRE) -- Shenandoah Telecommunications Company ("Shentel") (Nasdaq: SHEN) today issued a press release with the following letter to shareholders.

Dear Shareholder:

Late last week, we made two significant announcements regarding your company and your investment in our stock. These announcements relate to the completion of the sale of our wireless assets and operations and the Board of Directors' decision to declare a large special dividend. Both the sale and the special dividend are unique events in your company's history, and I want to provide some additional information to you regarding these actions.

On July 1st, we completed the sale to T-Mobile USA, Inc. of our wireless assets and operations. Cash consideration for the sale was approximately \$1.94 billion, inclusive of adjustments and net of certain transaction expenses. The closing concludes the sale process initiated in August 2020, when T-Mobile delivered notice that they were exercising their option under our contracts with Sprint to purchase our wireless business. Personal Communications Services comprised the largest of our businesses, and the completion of the sale marks the end of your company's 25 years as a provider of mobile wireless personal communications services.

Following the completion of the sale, on July 2nd, the Board of Directors declared a special cash dividend of \$18.75 per share. This dividend is payable on August 2, 2021 to shareholders of record as of the close of business on July 13, 2021. Because the special dividend is more than 25% of the current share price, in accordance with NASDAQ rules, the stock will trade ex-dividend beginning on August 3, 2021, the first business day after the payment date. The trading price will then reflect the value of the stock without the special dividend.

This special dividend is expected to be taxable as a qualified dividend subject to your holding period, and returns to you a significant portion of the value of your stock. The amount of the special dividend is much larger than prior annual dividends and may impact your tax planning. **You are strongly encouraged to seek advice from your tax advisor regarding the potentially significant personal tax obligations.**

For shareholders enrolled in the Dividend Reinvestment Plan as of the July 13th record date, the dividends paid on the shares enrolled are expected to be used to purchase shares of the company's common stock in market transactions. These purchases are expected to occur during the thirty days following the dividend payment date. **If you wish to change your current election regarding dividend reinvestment, you should contact the company's transfer agent by calling 540-984-5200 or emailing transferagent@shentel.com far in advance of the July 13th record date in order to complete and deliver the necessary paperwork. If your shares are held in a brokerage account, any questions regarding the dividend or reinvestment should be directed to your broker.**

The completion of the wireless sale and payment of the special dividend are significant milestones in the company's almost 120 years – and we are excited to begin a new chapter in our long and successful history. Going forward, we are a broadband-centric company, focused on growing our cable, Glo fiber, Beam fixed wireless, and commercial fiber businesses. We believe we have the experience and expertise to continue to execute on our growth strategy, providing quality telecommunications services to our customers and the communities we serve.

On behalf of your Board of Directors, I appreciate your continued interest in and support of the company.

Sincerely,

Christopher E. French
President and Chief Executive Officer

About Shenandoah Telecommunications

Shenandoah Telecommunications Company (Shentel) provides broadband services through its high speed, state-of-the-art cable, fiber optic and fixed wireless networks to customers in the Mid-Atlantic United States. The Company's services include: broadband internet, video, and voice; fiber optic Ethernet, wavelength and leasing; and tower colocation leasing. The Company owns over 6,800 route miles of fiber and 223 macro cellular towers. For more information, please visit www.shentel.com.

This release contains forward-looking statements about Shentel regarding, among other things, its business strategy, its prospects and its financial position. These statements can be identified by the use of forward-looking terminology such as "believes," "estimates," "expects," "intends," "may," "will," "should," "could," or "anticipates" or the negative or other variation of these or similar words, or by discussions of strategy or risks and uncertainties. The forward-looking statements are based upon management's beliefs, assumptions and current expectations and may include comments as to Shentel's beliefs and expectations as to future events and trends affecting its business that are necessarily subject to uncertainties, many of which are outside Shentel's control. Although management believes that the expectations reflected in the forward-looking statements are reasonable, forward-looking statements are not, and should not be relied upon as, a guarantee of future performance or results, nor will they

necessarily prove to be accurate indications of the times at which such performance or results will be achieved, and actual results may differ materially from those contained in or implied by the forward-looking statements as a result of various factors. A discussion of other factors that may cause actual results to differ from management's projections, forecasts, estimates and expectations is available in Shentel's filings with the Securities and Exchange Commission. Those factors may include natural disasters, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as COVID-19, changes in general economic conditions, increases in costs, changes in regulation and other competitive factors. The forward-looking statements included are made only as of the date of the statement. Shentel undertakes no obligation to revise or update such statements to reflect current events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events, except as required by law.

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