



**Q1 2021**  
**Earnings Conference Call**  
April 30, 2021

# Safe Harbor Statement

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, regarding our business strategy, our prospects and our 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 similar words, or by discussions of strategy or risks and uncertainties. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company’s expectations and projections. Important factors that could cause actual results to differ materially from such forward-looking statements include, without limitation, risks related to the following:

- ❑ Increasing competition in the communications industry; and
- ❑ Interruption in or other adverse change to Sprint's business, liquidity or financial conditions; and
- ❑ Our ability to execute a definitive asset purchase agreement, secure required regulatory approvals, close the sale of our discontinued Wireless operations to T-Mobile and pay a special dividend to our shareholders; and
- ❑ Natural disasters, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as COVID-19;

A further list and description of these risks, uncertainties and other factors can be found in the Company’s SEC filings which are available online at [www.sec.gov](http://www.sec.gov), [www.shentel.com](http://www.shentel.com) or on request from the Company. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.

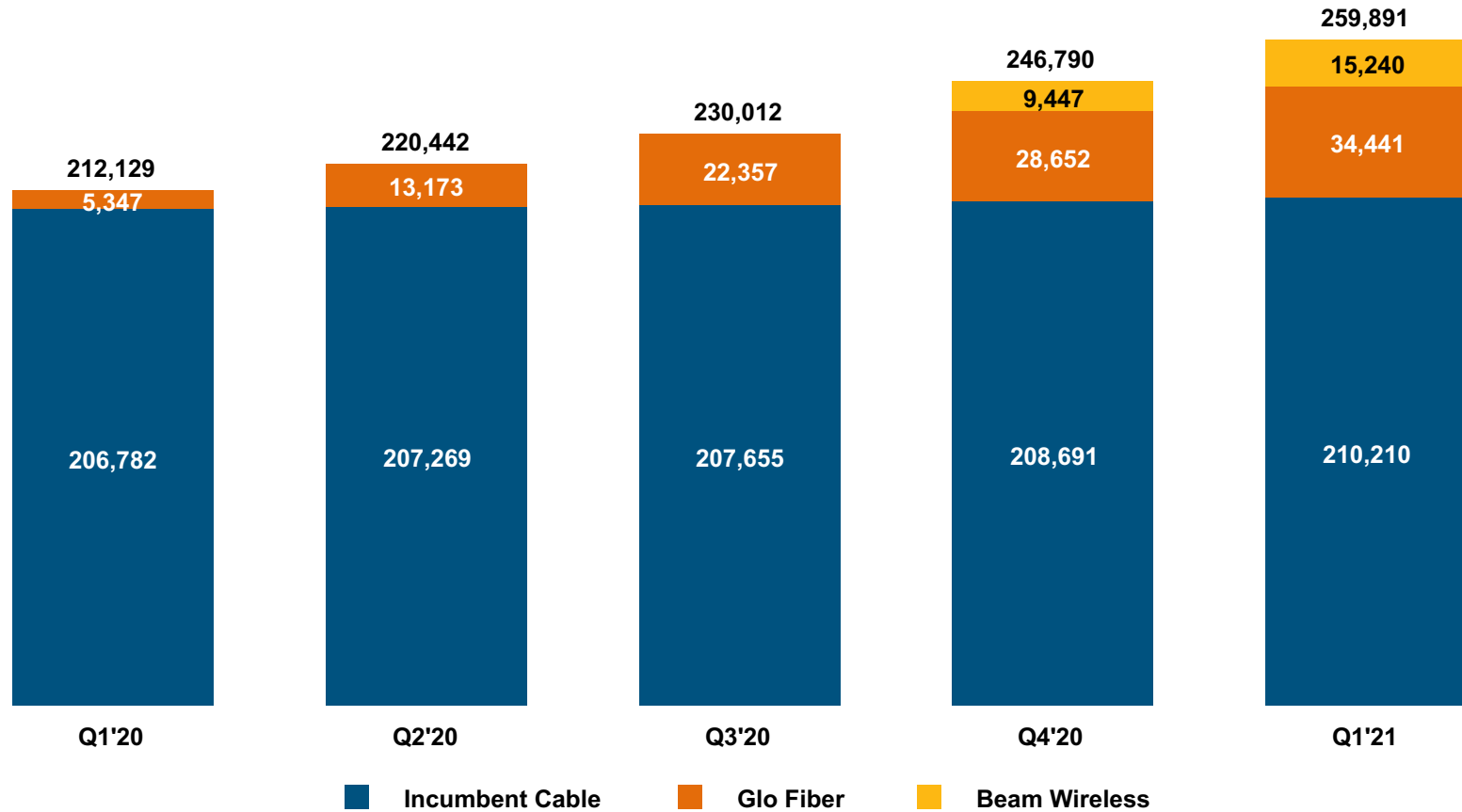


# Chris French

President and CEO

# Growing Broadband Network

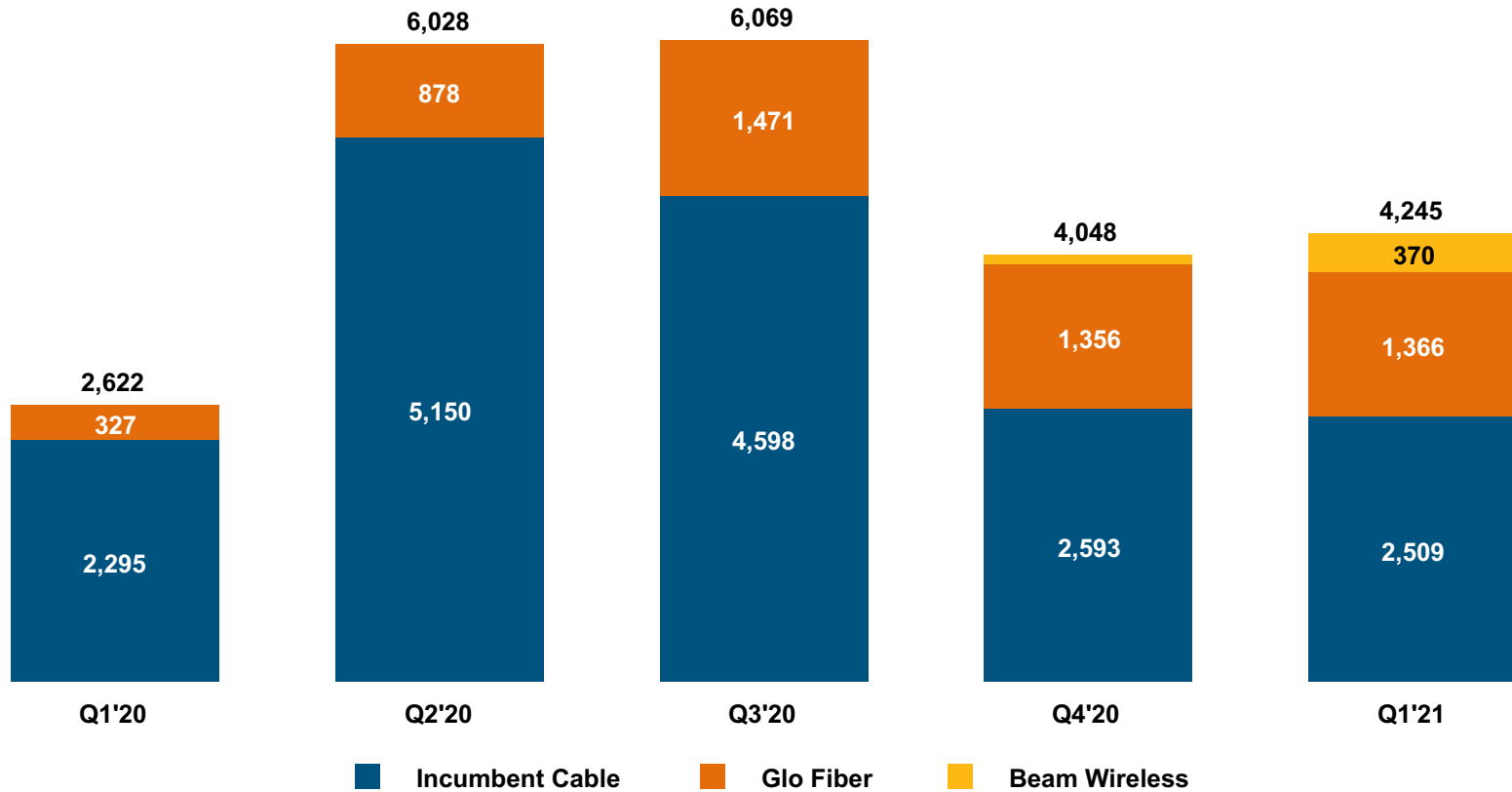
Broadband Data Homes and Businesses Passed





# Strong Broadband Results

Broadband Data Net Additions



# Pending Wireless Sale Update

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- ✓ T-Mobile exercised option to purchase Wireless assets operations
- ✓ Sales price of \$1.95 billion determined through appraisal process and agreement with T-Mobile
- ✓ Hart-Scott Rodino waiting period expired on April 26, 2021
- ✓ Announced organizational restructuring plan

Expected timeline:

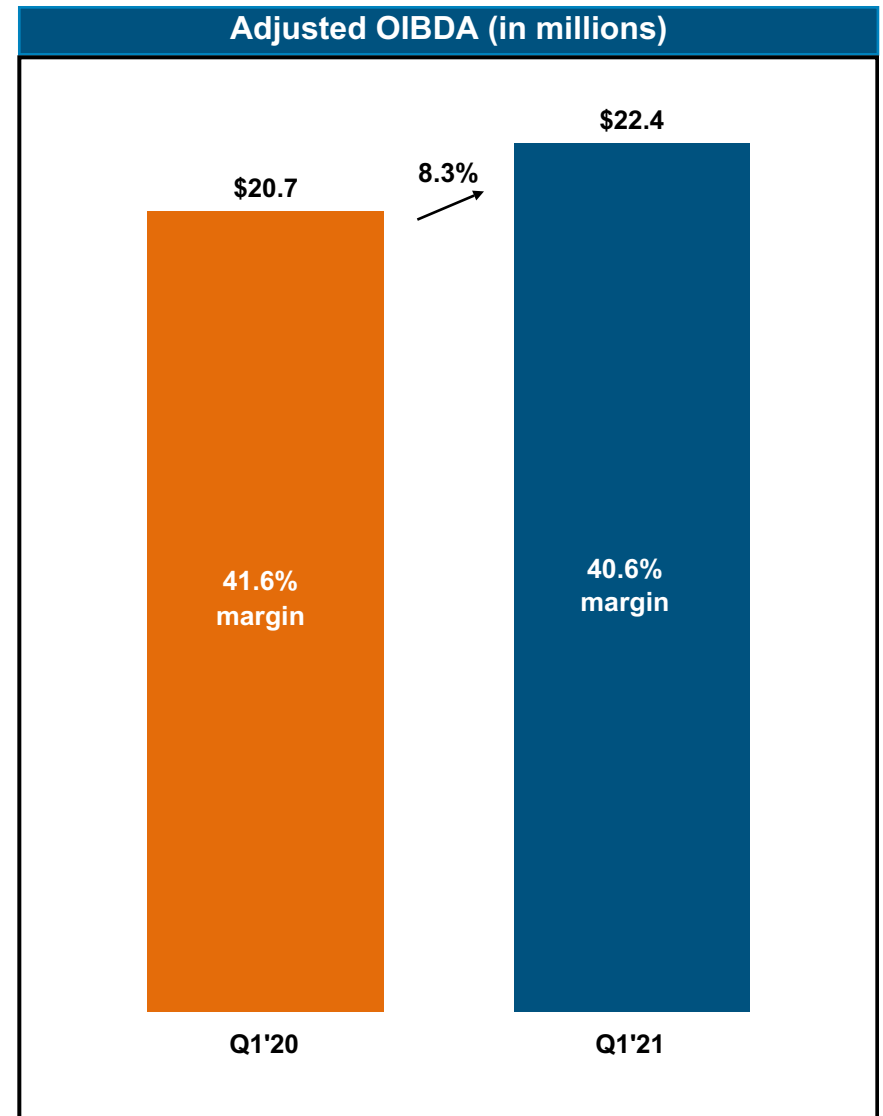
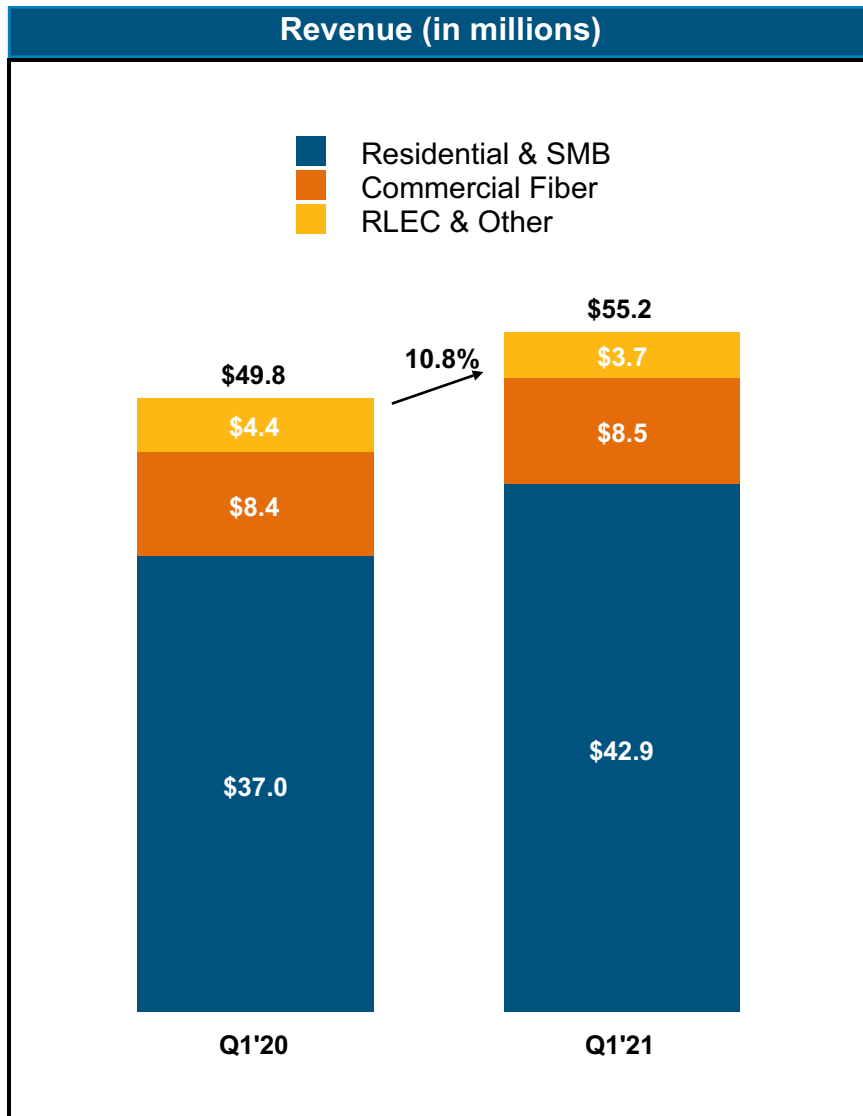
- Execute asset purchase agreement
- Secure FCC and West Virginia Public Service Commission approvals
- Close the transaction in early third quarter 2021



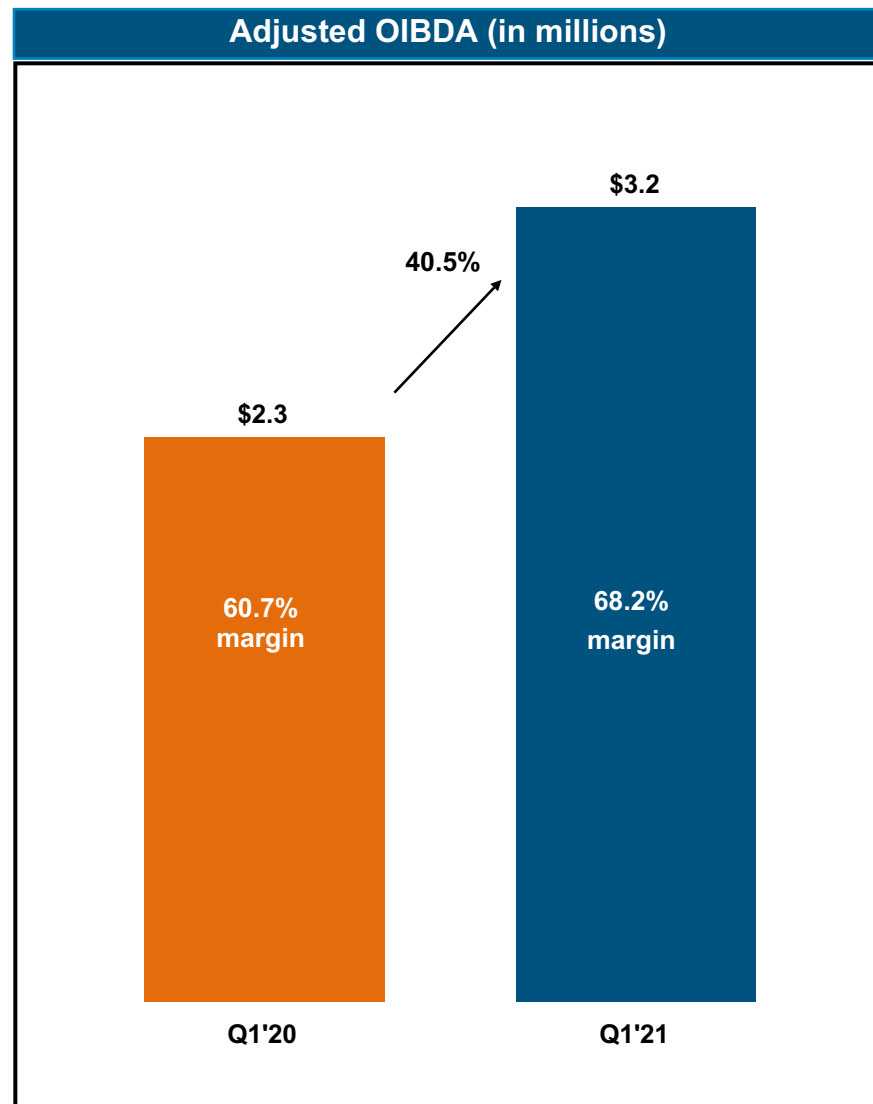
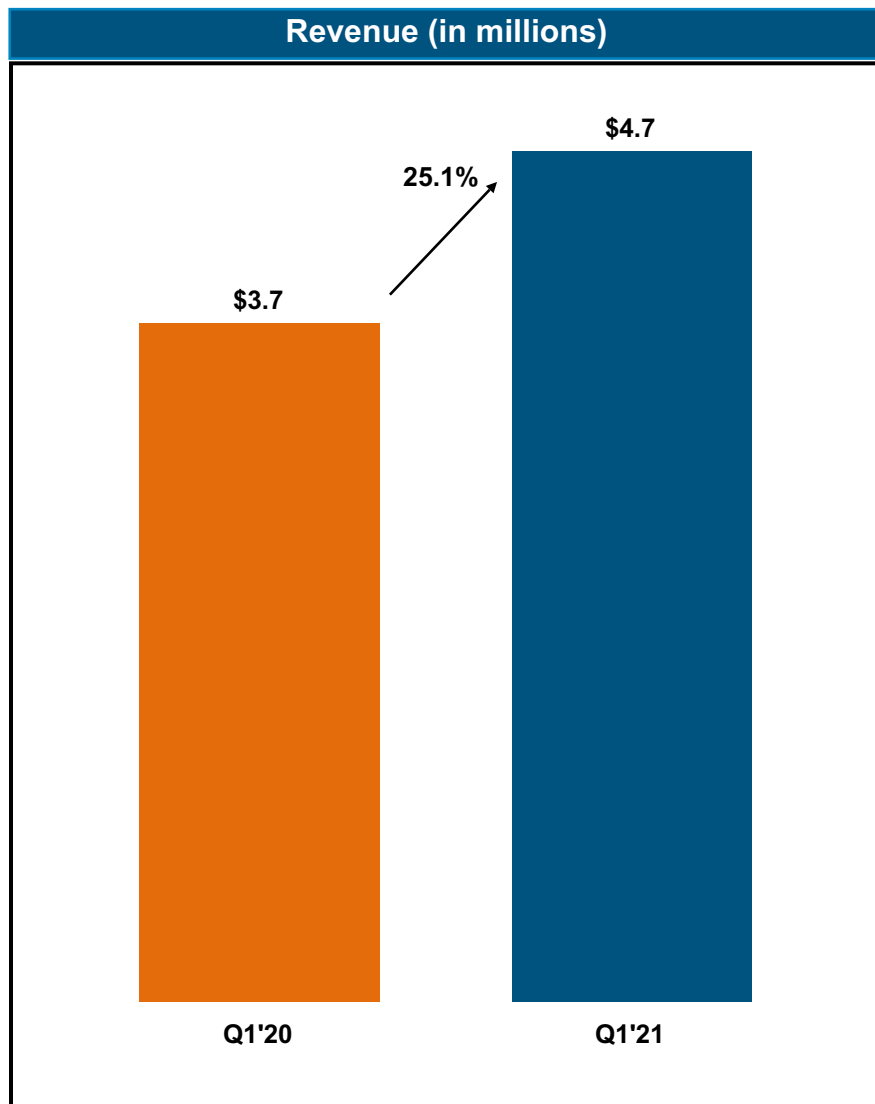
# Jim Volk

SVP of Finance and CFO

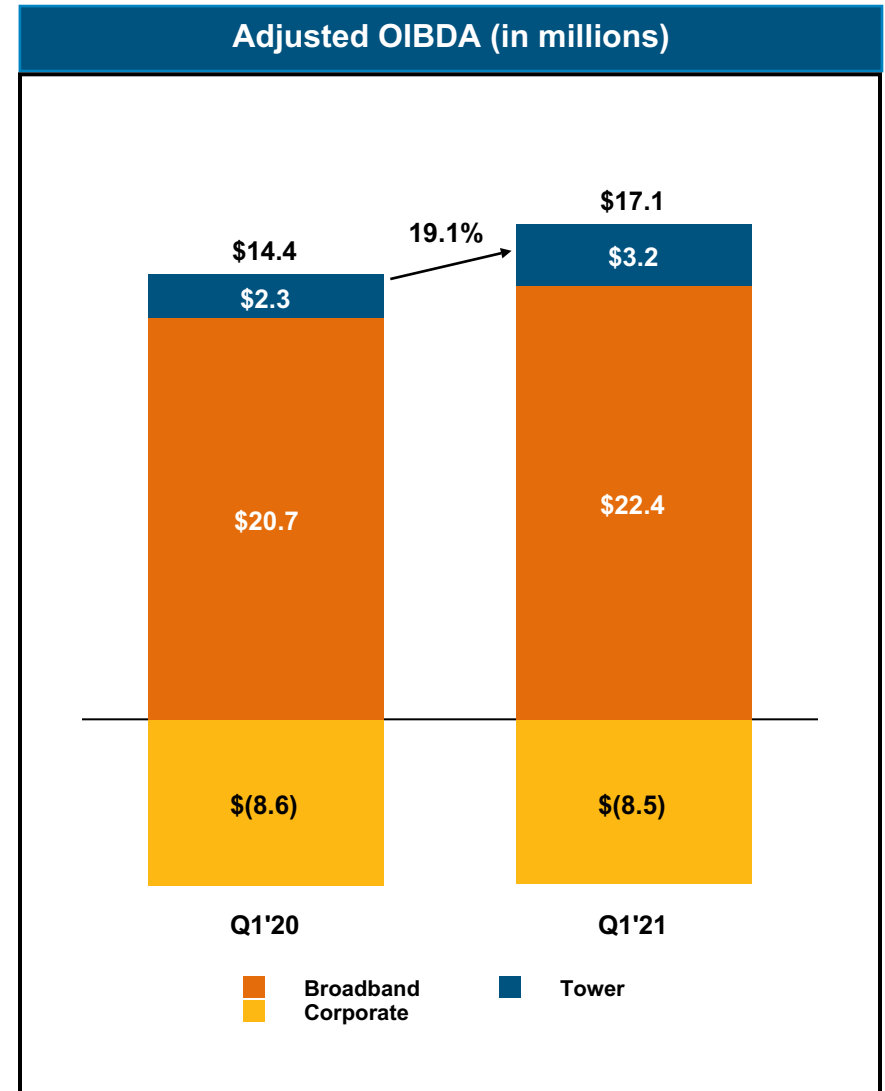
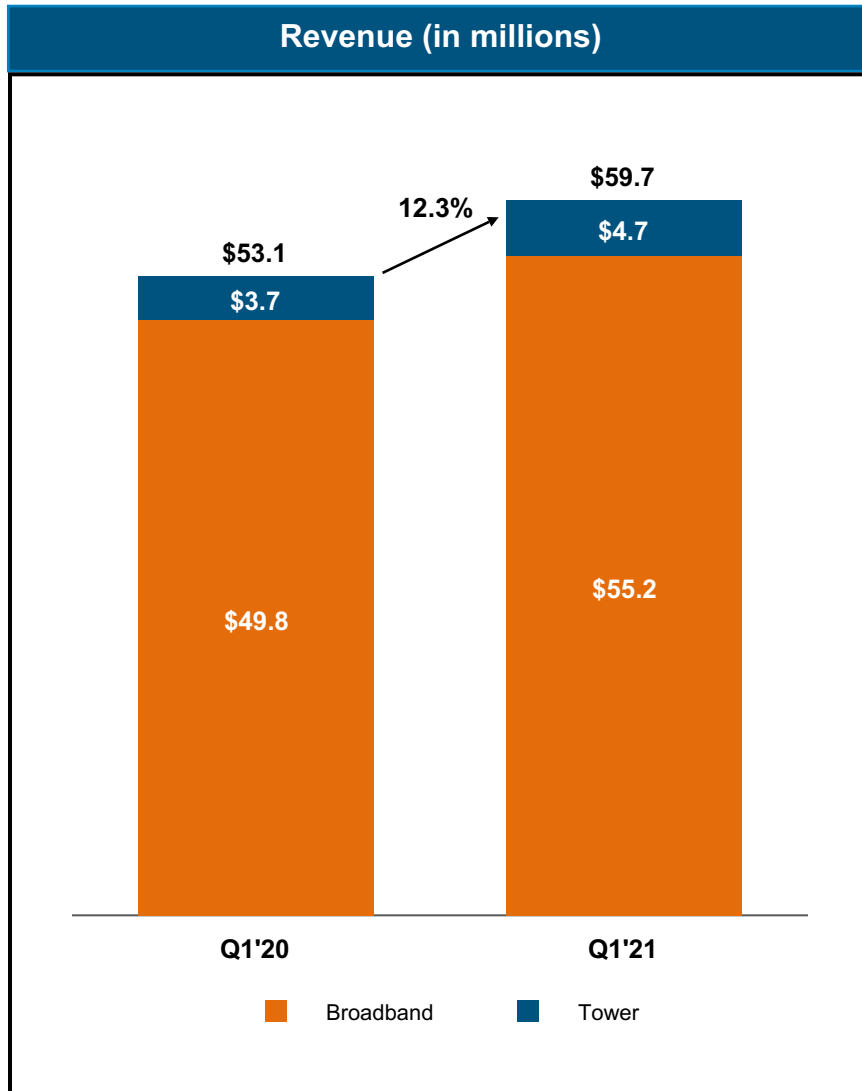
# Broadband Highlights - First Quarter Results



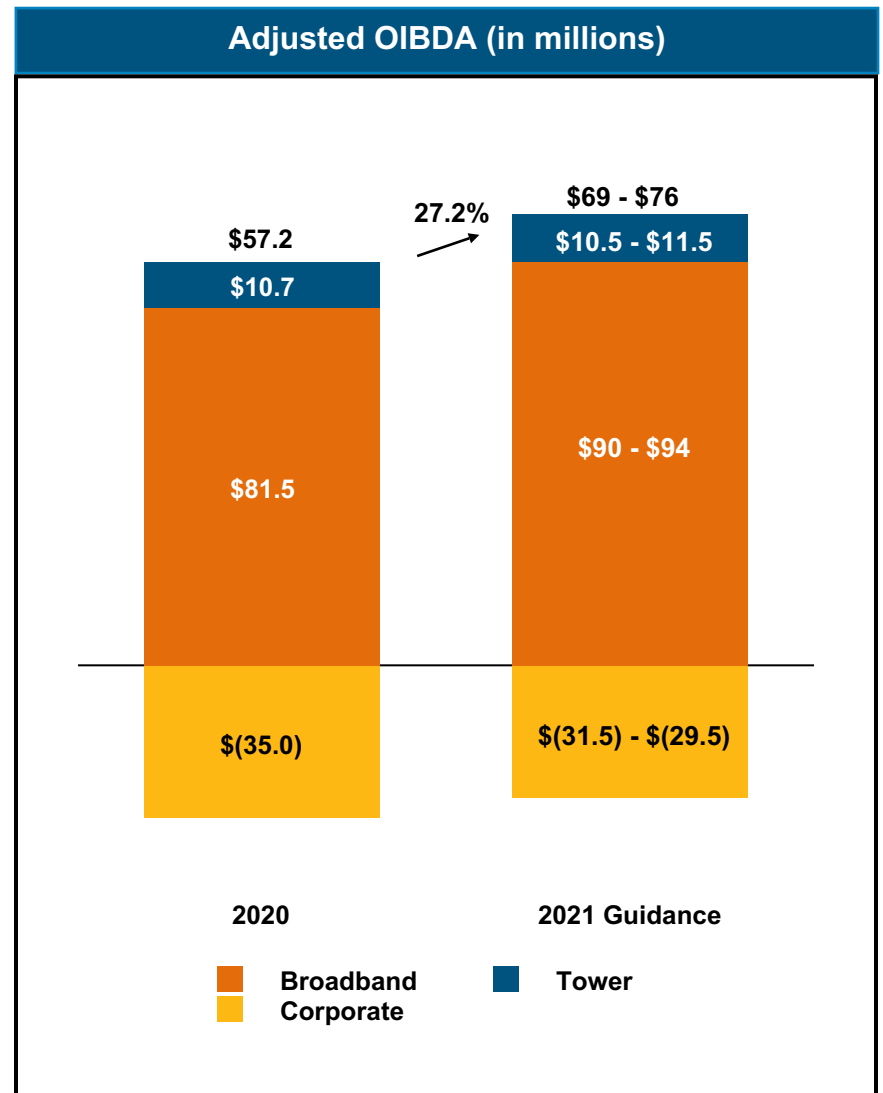
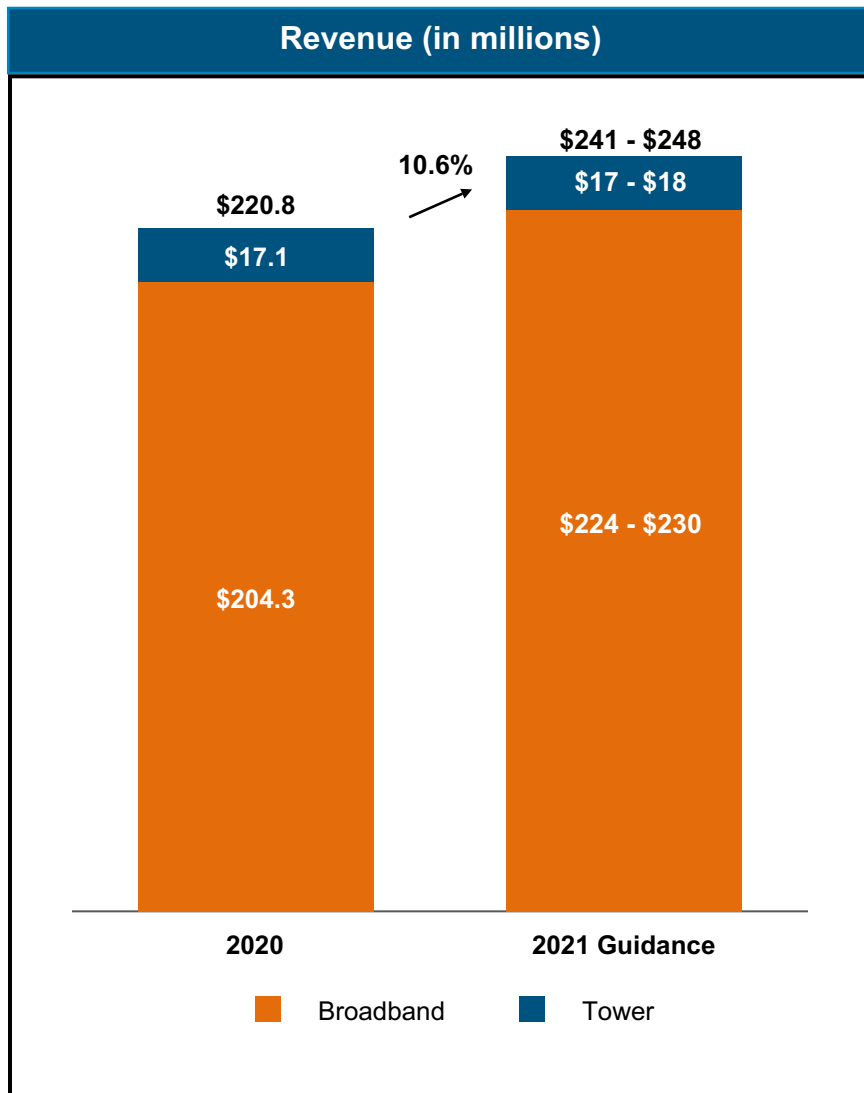
# Tower Highlights - First Quarter Results



# Consolidated Highlights - First Quarter Results

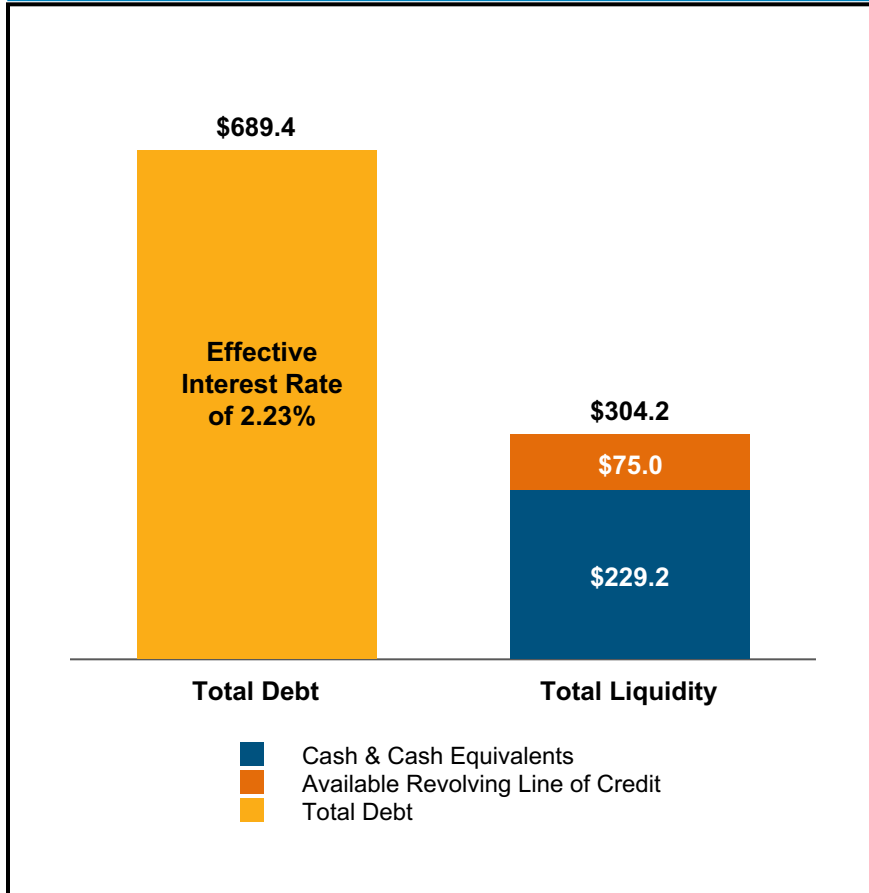


# Consolidated 2021 Outlook

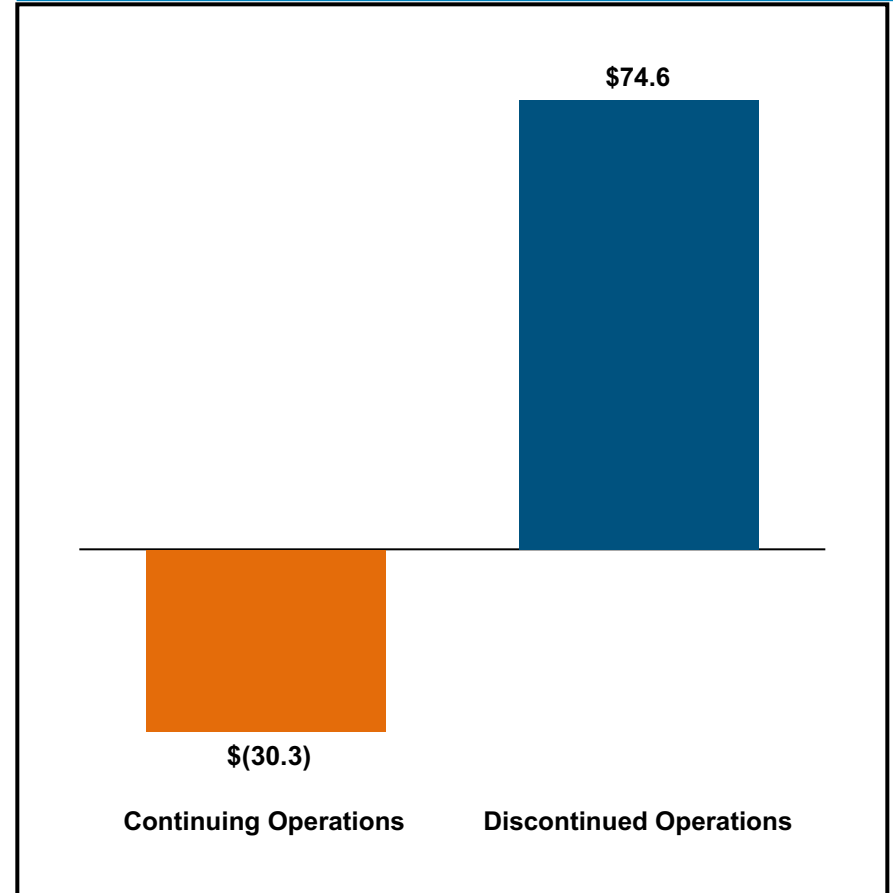


# Capitalization

Total Debt & Liquidity (in millions)



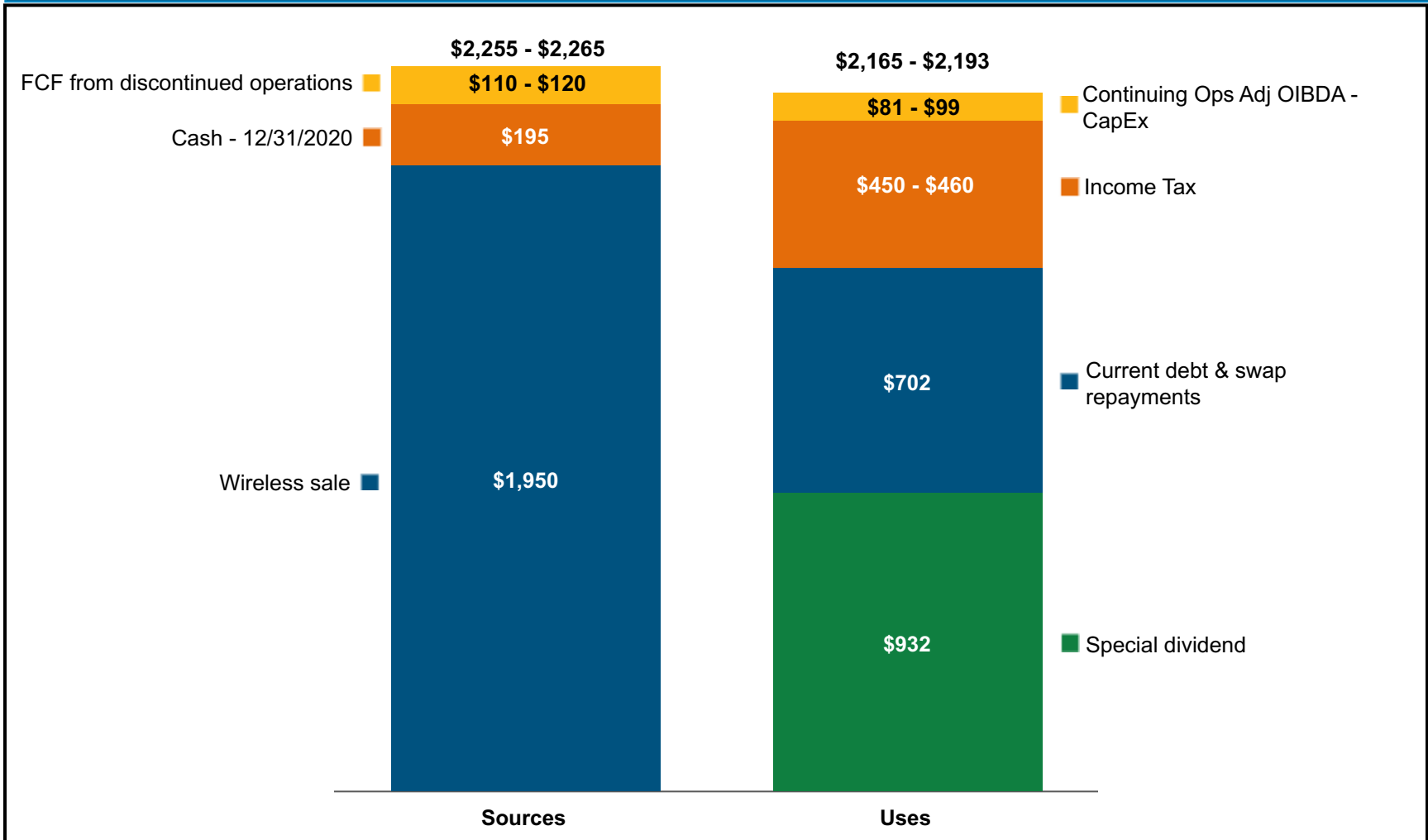
YTD Free Cash Flow by Segment (in millions)





# 2021 Cash Flow Outlook

## 2021 Cash Sources & Uses (\$ in millions) assuming Wireless Sale is consummated








# Dave Heimbach

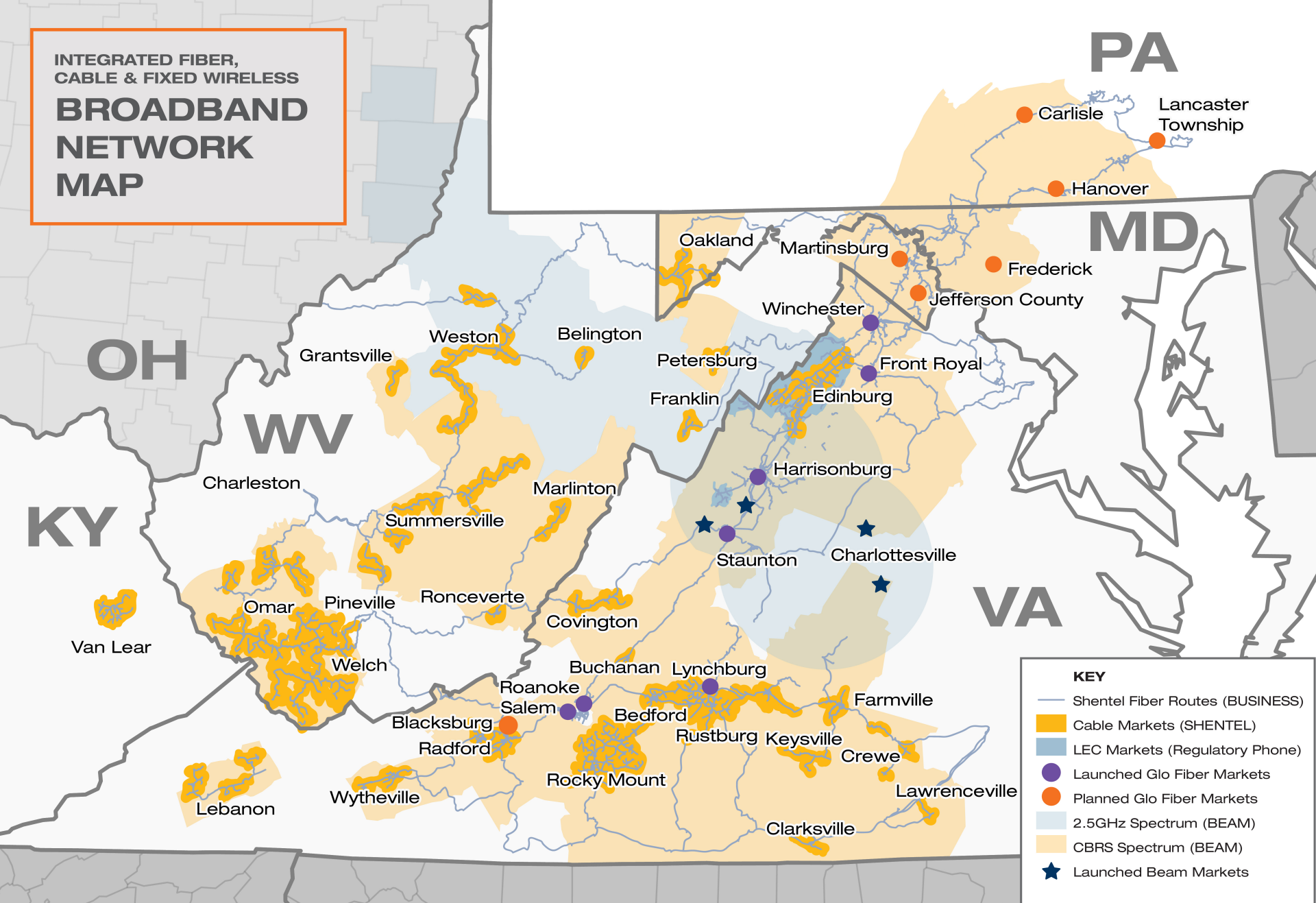
EVP and COO

# Unique network platform with high growth potential

		 SHENTEL® Always connected to you	 glofiber	 beam- internet by shentel
Target market dynamic	Shentel position	Incumbent	Greenfield fiber overbuilder	Greenfield fixed wireless broadband overbuilder
	Market type	Various, but mostly rural	Higher density tier III / IV markets	Low density rural
	Current / 2026 Target Homes Passed	210,000 / 215,000	34,000 / 300,000	15,000 / 215,000
	Competition	>95% low-speed Telco DSL or no competition	Incumbent cable operator and low-speed DSL telco operator; no fiber competition	1 or fewer competitors offering <25Mbps speeds  Fixed wireless network with a 5G-ready core using 2.5 and 3.5GHz licensed spectrum and massive MIMO technology
Shentel offering and KPIs	Primary network technology	DOCSIS 3.1 HFC network	XGS-PON FTTH network	
	Bandwidth speeds offered	Up to 1 Gbps	Up to 2 Gbps	Up to 100 Mbps
	Historical operating presence and experience	Incumbent cable operator and wireless provider	Wireless provider and commercial fiber provider	Wireless provider and adjacent to many incumbent cable markets
	Cost per passing	\$1,500 - \$2,500*	\$700 - \$1,200	\$250 - \$350
	Terminal penetration	55%	36%	31%

\*Incumbent cable only

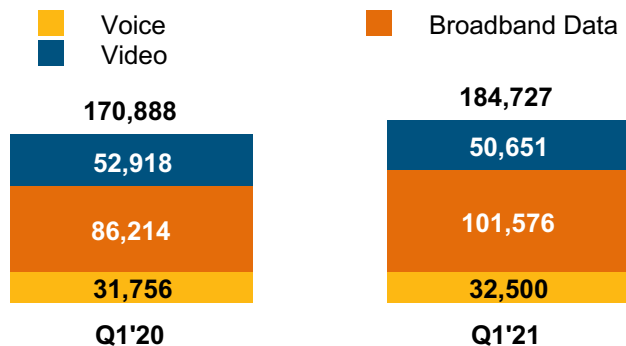
INTEGRATED FIBER,  
CABLE & FIXED WIRELESS  
**BROADBAND  
NETWORK  
MAP**



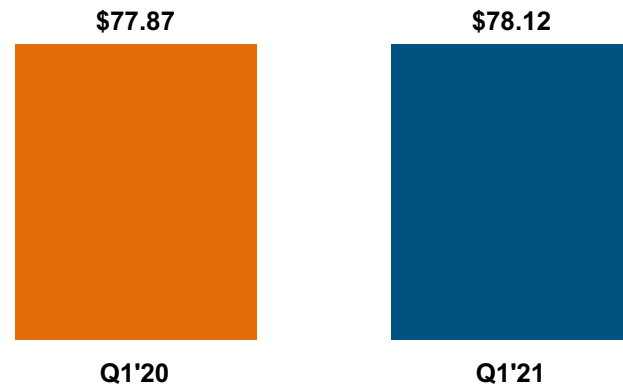
KEY	
	Shentel Fiber Routes (BUSINESS)
	Cable Markets (SHENTEL)
	LEC Markets (Regulatory Phone)
	Launched Glo Fiber Markets
	Planned Glo Fiber Markets
	2.5GHz Spectrum (BEAM)
	CBRS Spectrum (BEAM)
	Launched Beam Markets

# Broadband - Incumbent Cable Metrics

## Revenue Generating Units (RGU)



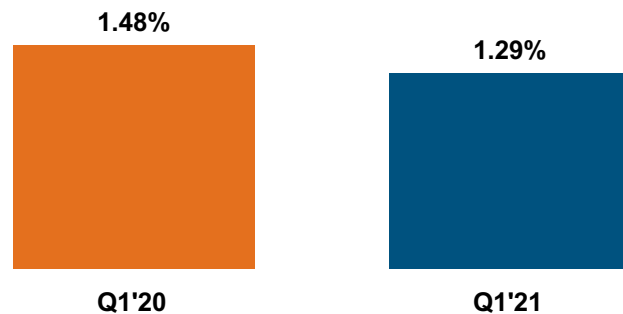
## Broadband Data Average Revenue per User (ARPU)



## Broadband Data Penetration

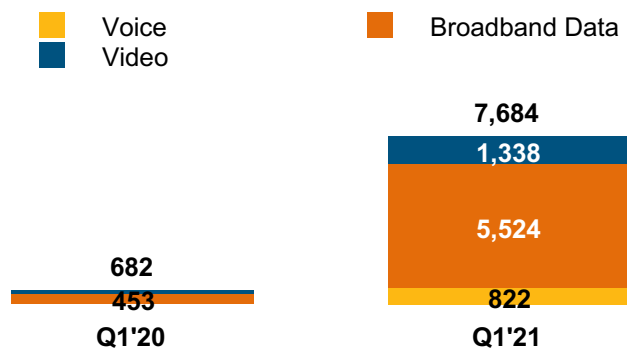


## Broadband Data Churn

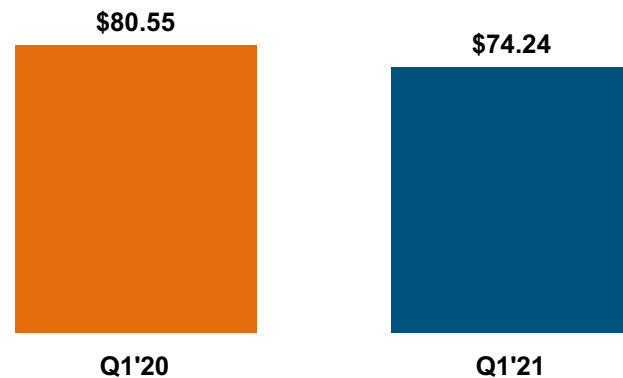


# Broadband - Glo Fiber Metrics

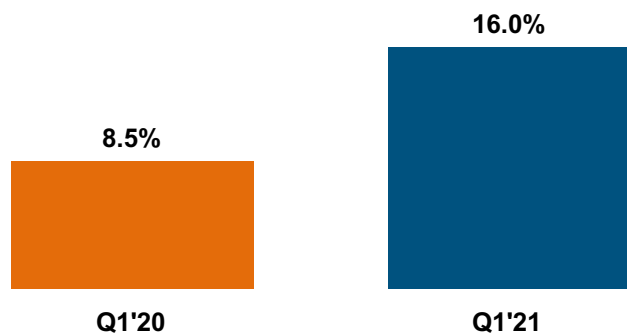
## Revenue Generating Units (RGU)



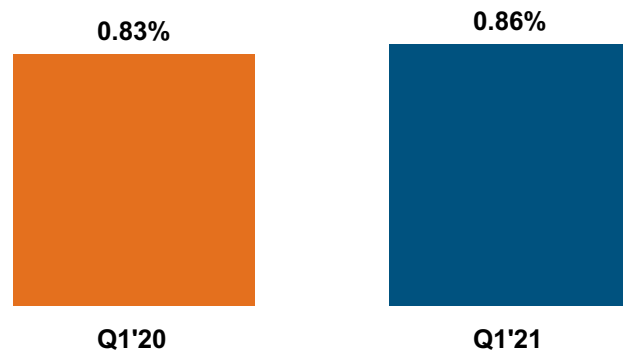
## Broadband Data Average Revenue per User (ARPU)




## Broadband Data Penetration



## Broadband Data Churn



# Glo Fiber Market Update

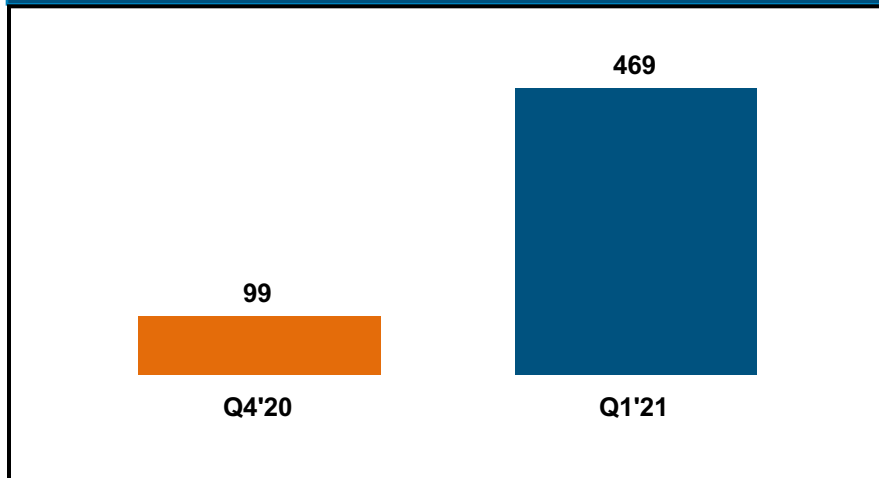
	Passings Released to Sales	Target Passings*	Launch Date	Penetration as of 3/31/2021
Harrisonburg VA	10.3k	13.3k	October 2019	20.8%
Staunton VA	10.3k	10.6k	February 2020	17.4%
Front Royal VA	5.1k	5.2k	March 2020	13.4%
Winchester VA**	7.2k	23.9k	March 2020	11.0%
Salem VA	1.6k	8.7k	January 2021	7.0%
Roanoke VA		33.5k	April 2021	
Lynchburg VA		19.3k	April 2021	
Frederick MD		19.6k	2H21	
Jefferson County WV		3.9k	2H21	
Martinsburg WV		6.5k	2H21	
Blacksburg VA		6.9k	2H21	
Hanover PA		6.2k	2H21	
Carlisle PA		7.3k	2H21	
Lancaster Township PA		5.6k	1H22	
<b>Total</b>	<b>34.4k</b>	<b>170.5k</b>		<b>16.0%</b>

\*Target passings are defined as Single Family Households (SFU) and single tenant commercial buildings that conform to our target cost per passing along with an estimated 40% of passed residential Multiple Dwelling Units (MDU) we gain right of entry.

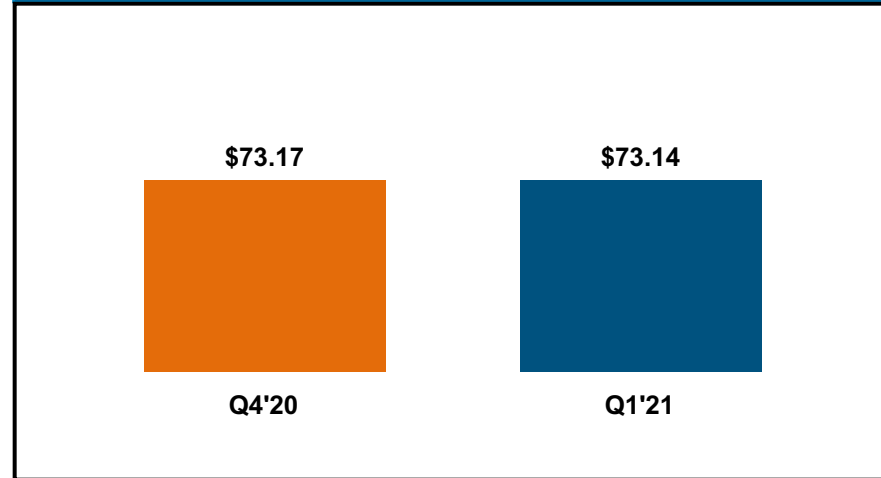
\*\* Includes Frederick County VA

# Broadband - Beam Broadband Data Metrics

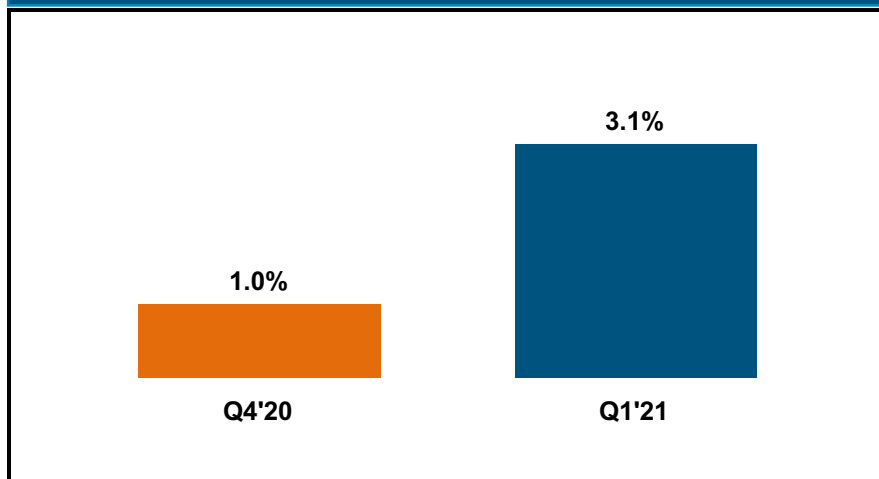
## Revenue Generating Units (RGU)



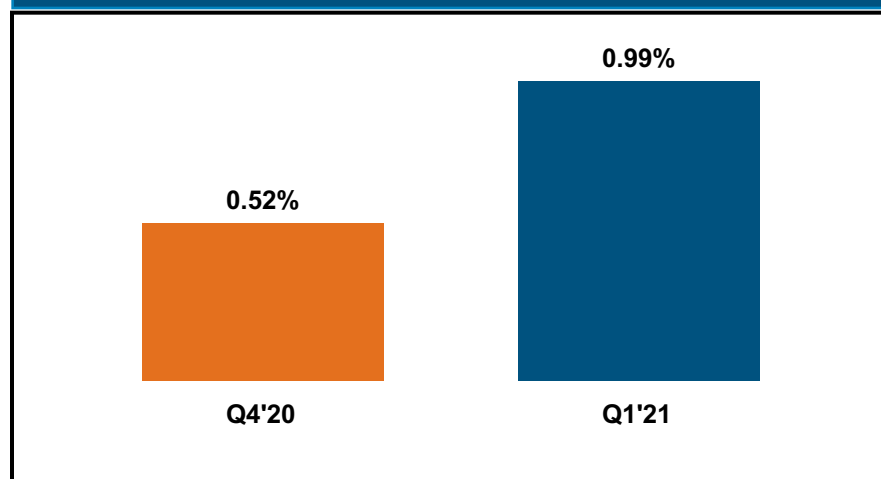
## Average Revenue per User (ARPU)



## Penetration



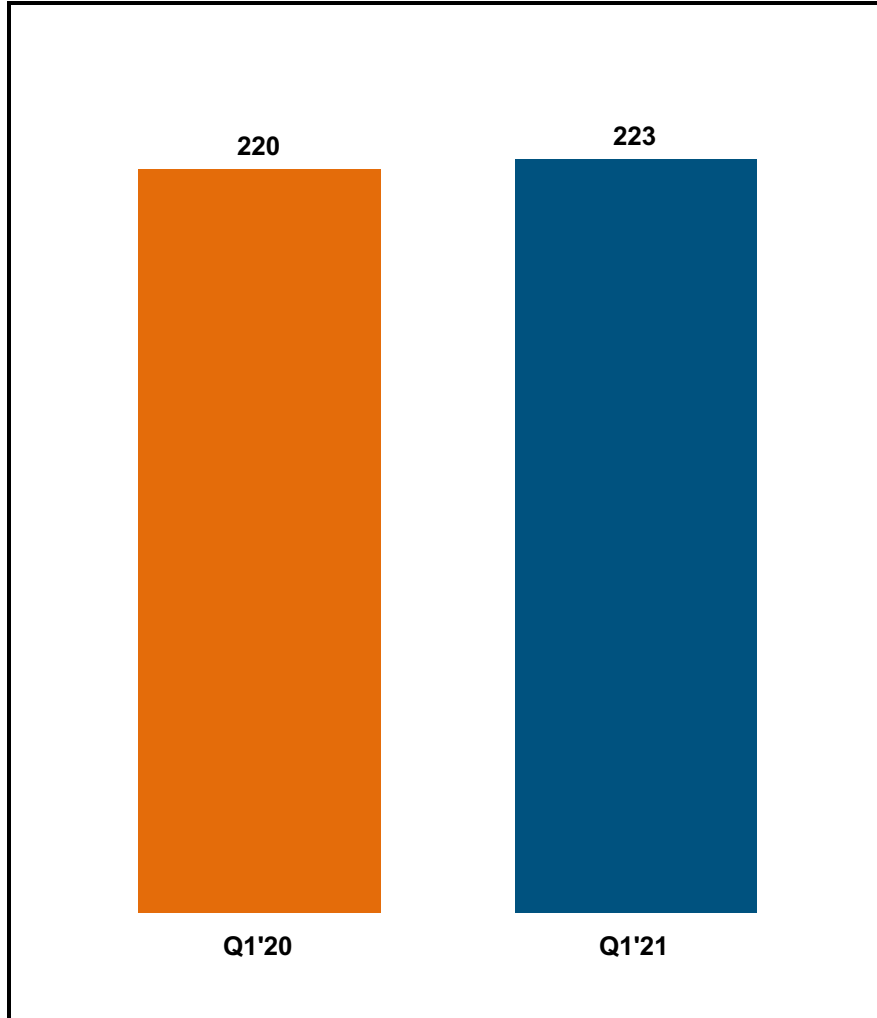
## Churn



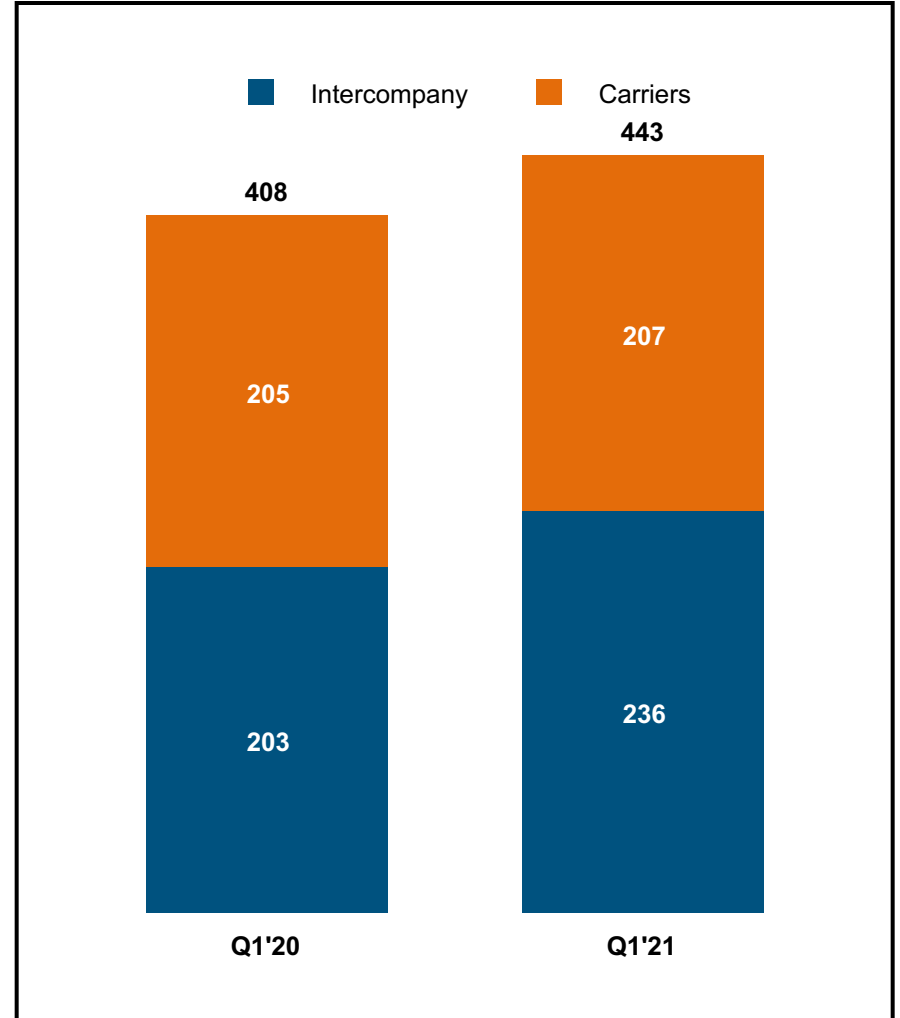


# Tower - Metrics

## Towers

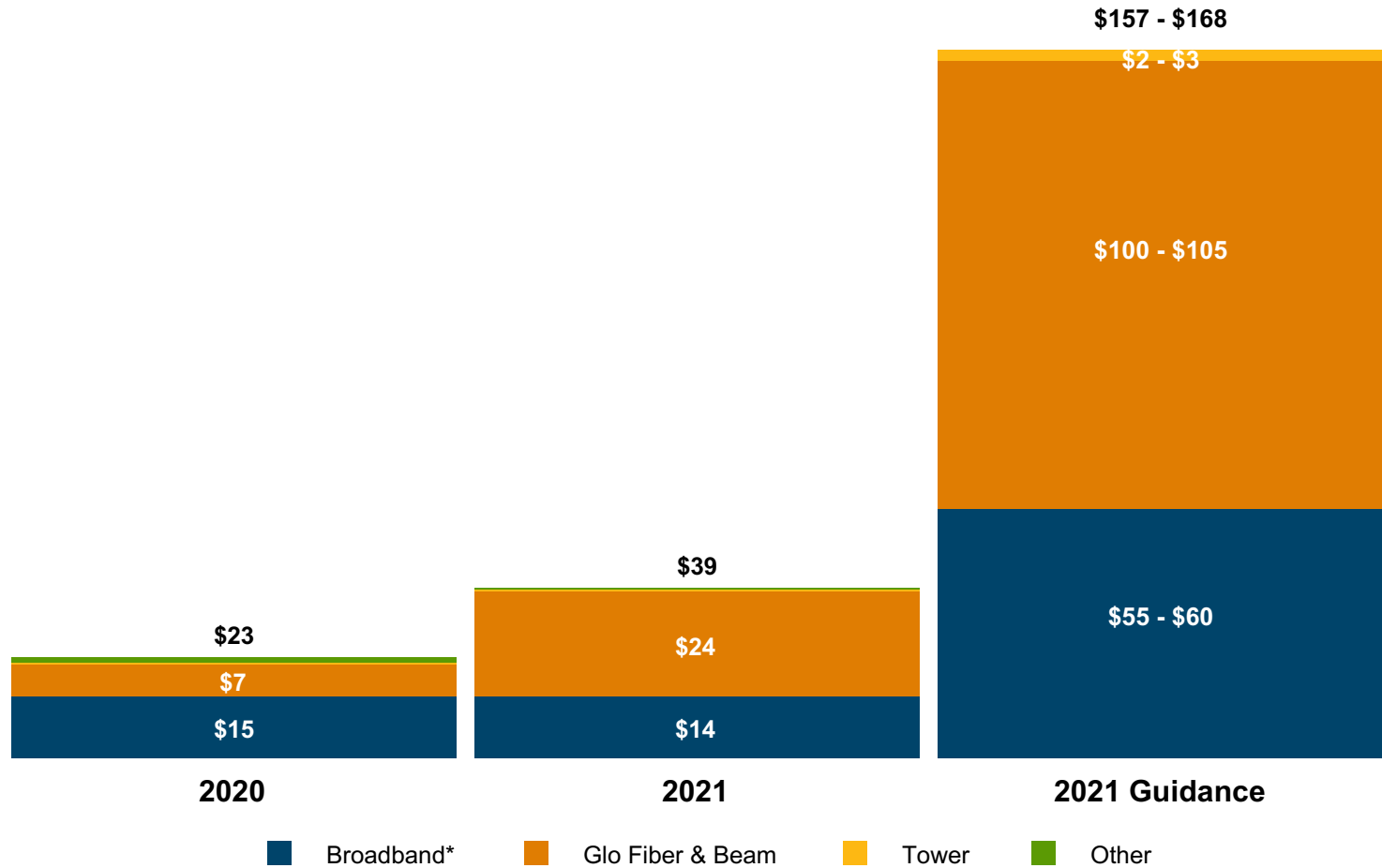


## Tenants



# Capital Expenditures

## Capex Spending (\$ in millions)



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# Q&A

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# Appendix

# Use of Non-GAAP Financial Measures

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Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with U.S. generally accepted accounting principles. These financial performance measures are not indicative of cash provided or used by operating activities and exclude the effects of certain operating, capital and financing costs and may differ from comparable information provided by other companies, and they should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with U.S. generally accepted accounting principles. Management believes these measures facilitate comparisons of our operating performance from period to period and comparisons of our operating performance to that of our peers and other companies by excluding certain differences. Shentel utilizes these financial performance measures to facilitate internal comparisons of our historical operating performance, which are used by management for business planning purposes, and also facilitates comparisons of our performance relative to that of our competitors. In addition, we believe these measures are widely used by investors and financial analysts as measures of our financial performance over time, and to compare our financial performance with that of other companies in our industry.

## Adjusted OIBDA by Segment - Quarterly Results

### Three Months Ended March 31, 2021

<i>(in thousands)</i>	<b>Broadband</b>	<b>Tower</b>	<b>Corporate &amp; Other</b>	<b>Consolidated</b>
Operating income (loss) from continuing operations	\$ 10,427	\$ 2,702	\$ (10,758)	\$ 2,371
Depreciation	11,538	481	1,024	13,043
Amortization	223	—	—	223
OIBDA	22,188	3,183	(9,734)	15,637
Stock compensation expense	—	—	642	642
Deal advisory fees	115	—	109	224
Restructuring expense	105	—	513	618
Adjusted OIBDA	\$ 22,408	\$ 3,183	\$ (8,470)	\$ 17,121
Total revenue	\$ 55,154	\$ 4,665	(128)	\$ 59,691
Adjusted OIBDA margin	40.6 %	68.2 %	N/A	28.7 %

### Three Months Ended March 31, 2020

<i>(in thousands)</i>	<b>Broadband</b>	<b>Tower</b>	<b>Corporate &amp; Other</b>	<b>Consolidated</b>
Operating income (loss) from continuing operations	\$ 10,662	\$ 1,795	\$ (13,821)	\$ (1,364)
Depreciation	9,880	470	1,581	11,931
Amortization	154	—	—	154
OIBDA	20,696	2,265	(12,240)	10,721
Stock compensation expense	—	—	2,739	2,739
Deal advisory fees	—	—	910	910
Adjusted OIBDA	\$ 20,696	\$ 2,265	\$ (8,591)	\$ 14,370
Total revenue	\$ 49,786	\$ 3,730	(382)	\$ 53,134
Adjusted OIBDA margin	41.6 %	60.7 %	N/A	27.0 %

## Normalized Free Cash Flow and Free Cash Flow

Three Months Ended March 31, <i>(in thousands)</i>	2021				Total Continuing Operations
	Discontinued Operations	Broadband	Tower	Corporate	
Net Cash Provided by Operations	\$ 75,530	\$ 21,087	\$ 902	\$ (12,853)	\$ 9,136
Less: Capital Expenditures*	(885)	(14,427)	(445)	(611)	(15,483)
Normalized Free Cash Flow	74,645	6,660	457	(13,464)	(6,347)
Glo Fiber and Fixed Wireless CapEx	—	(23,999)	—	—	(23,999)
Free Cash Flow	\$ 74,645	\$ (17,339)	\$ 457	\$ (13,464)	\$ (30,346)

\*Excludes capital expenditures for Glo Fiber & Fixed Wireless

Free cash flow and normalized free cash flow are non-GAAP financial measures that, when viewed with our GAAP results, provides a more complete understanding of factors and trends affecting our cash flows. Free cash flow is calculated by subtracting capital expenditures from net cash provided by operating activities. Normalized free cash flow is calculated by subtracting capital expenditures, excluding new services such as Glo Fiber and Fixed Wireless services, from net cash provided by operating activities. We believe they are more conservative measures of our cash flow since purchases of fixed assets are necessary for ongoing operations and expansion. Free cash flow and normalized free cash flow are utilized by our management, investors and analysts to evaluate cash available that may be used to pay scheduled principal payments on our debt obligations and provide further investment in the business.

# Broadband - Average Revenue per User (ARPU)

	For the first quarter ended,			
	2020		2021	
Residential & SMB Revenue (000's)				
Broadband	\$	19,833	\$	24,585
Incumbent Cable	\$	19,768	\$	23,465
Glo Fiber	\$	65	\$	1,068
Beam Wireless	\$	—	\$	52
Video	\$	14,821	\$	15,652
Voice	\$	2,827	\$	2,899
Average Revenue Generating Units				
Broadband		84,890		105,149
Incumbent Cable		84,621		100,117
Glo Fiber		269		4,795
Beam Wireless		—		237
Video		52,995		52,436
Voice		31,593		32,931
Average Revenue per User (ARPU)*				
Broadband	\$	77.88	\$	77.93
Incumbent Cable	\$	77.87	\$	78.12
Glo Fiber	\$	80.55	\$	74.24
Beam Wireless	\$	—	\$	73.14
Video	\$	93.22	\$	99.50
Voice	\$	29.83	\$	29.34