



SHENTEL®

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NASDAQ: SHEN

Shenandoah Telecommunications Company

March 2022

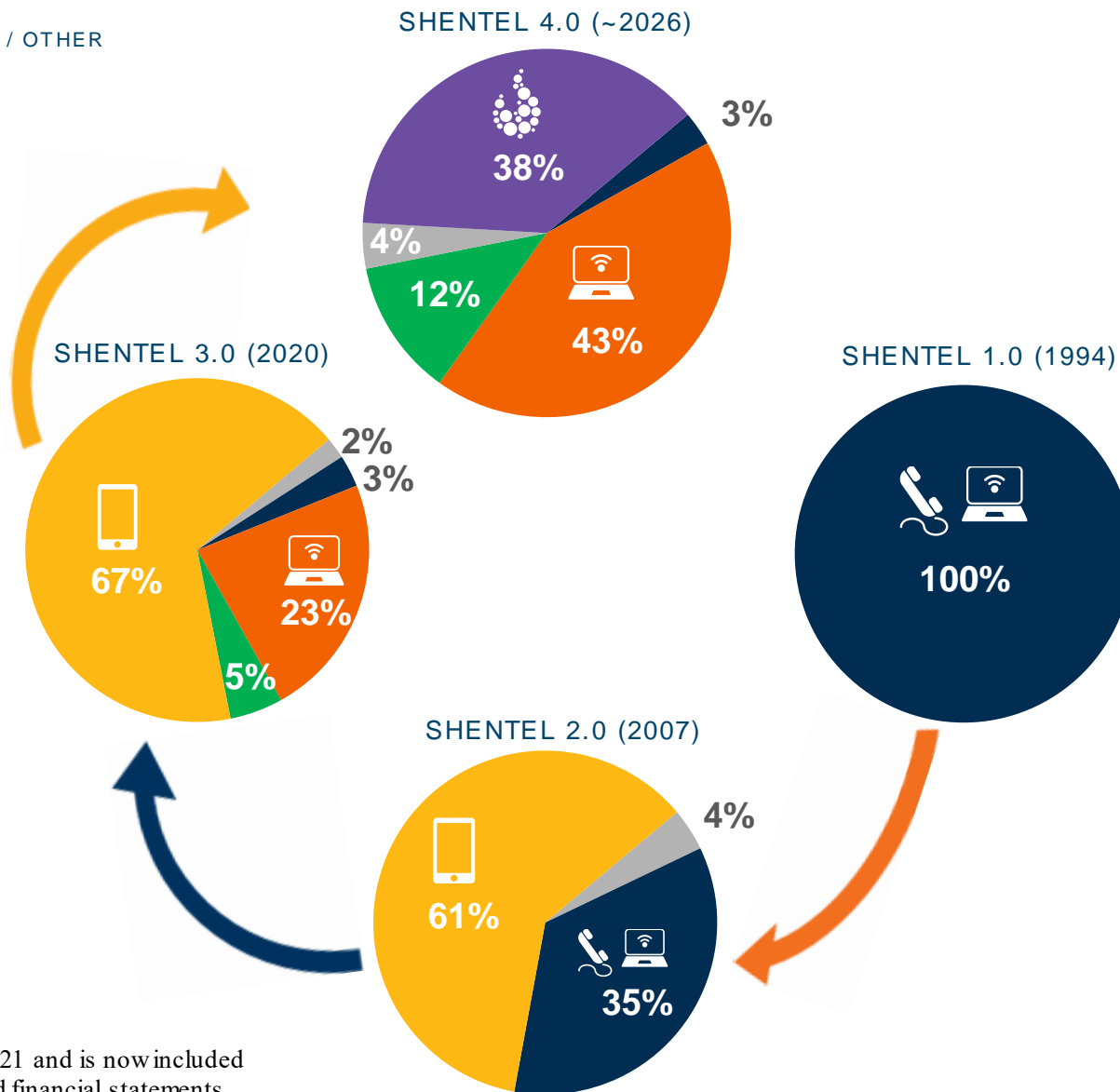
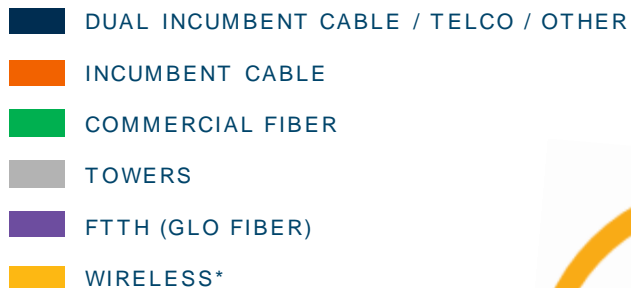
Safe Harbor Statement

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
- ❑ Natural disasters, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as COVID-19;

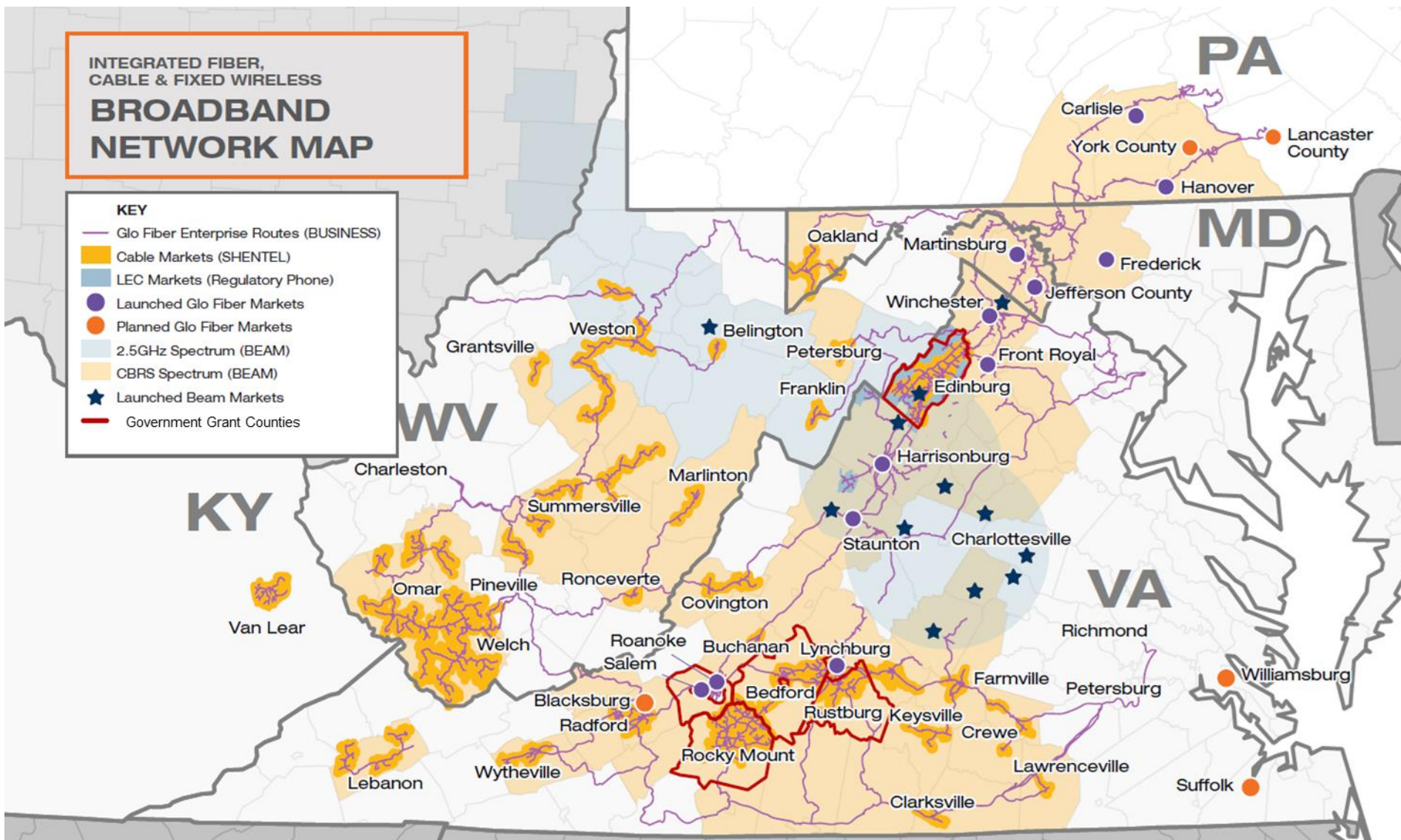
A further list and description of these risks, uncertainties and other factors can be found in the Company’s SEC filings which are available online at www.sec.gov, www.shentel.com or on request from the Company. The Company does not undertake to update any forward-looking statements as a result of new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

REVENUE BY SERVICE OFFERING



*Wireless segment was divested on July 1, 2021 and is now included in discontinued operations within our reported financial statements.

Integrated fiber, cable and fixed wireless broadband network



Unique network platform with high growth potential



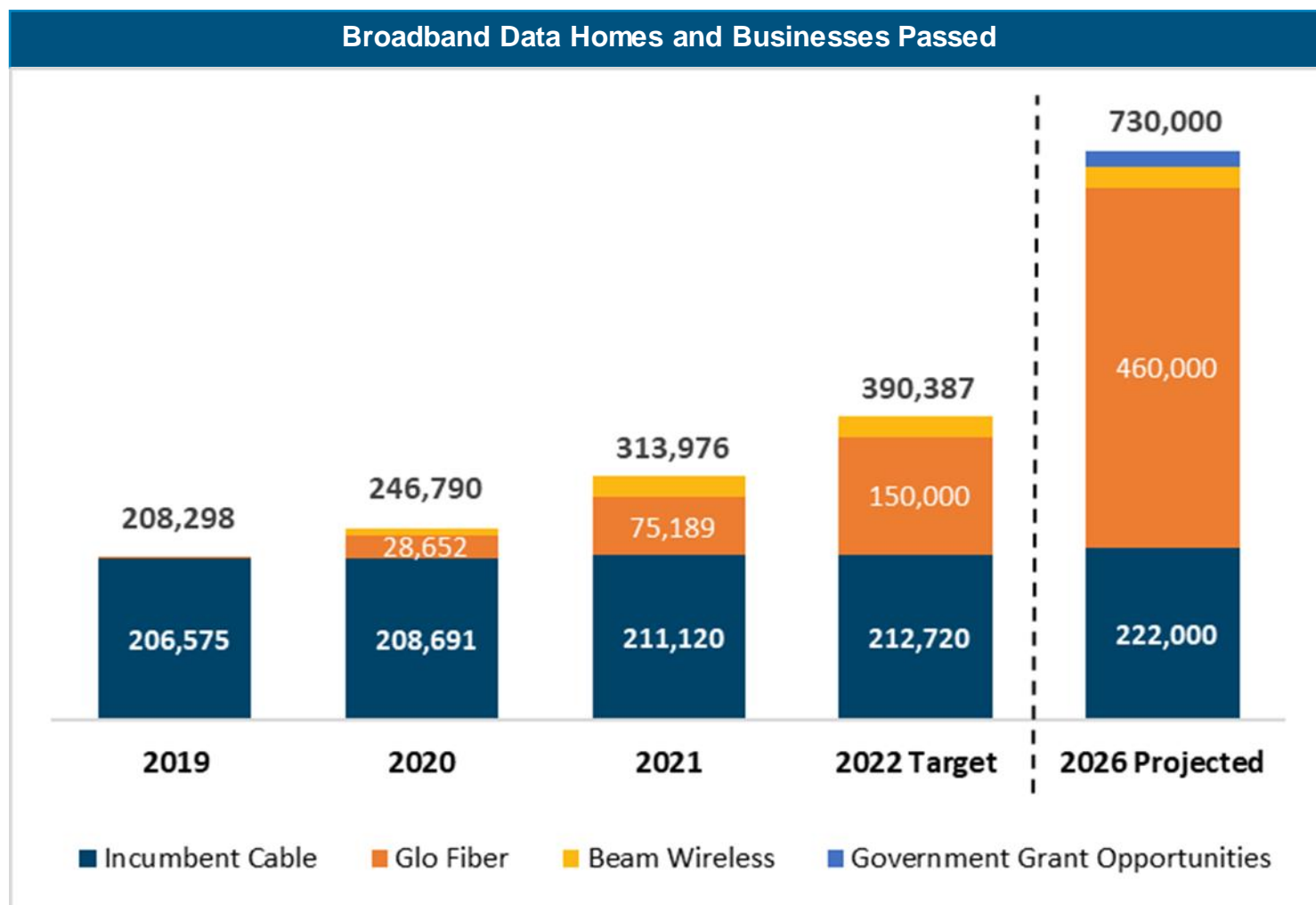
Government Grant
Opportunities

Target market dynamic	Shentel position	Incumbent cable	Greenfield fiber overbuilder	Greenfield fixed wireless broadband overbuilder	Greenfield hybrid fiber / fixed wireless provider
	Market type	Mostly rural	Higher density tier III / IV markets	Low density rural	Unserved rural
	Current / 2026 Target Homes Passed	211,000 / 220,000	75,000 / 450,000	28,000 / 28,000	0 / 32,000
	Competition	>90% low-speed DSL or no competition	Incumbent cable and low-speed DSL; no fiber competition	< 25 / 3 Mbps No cable or fiber competition	< 25 / 3 Mbps No cable or fiber competition
Shentel offering and KPIs	Primary network technology	DOCSIS 3.1 HFC	XGS-PON FTTH	5G-ready core 2.5 / 3.5 GHz licensed spectrum massive MIMO technology	XGS-PON FTTH and Fixed Wireless
	Bandwidth speeds offered	Up to 1 Gbps	Up to 2 Gbps	Up to 100 Mbps	100 Mbps to 2Gbps
	Government Grants Available	n/a	n/a	n/a	VATI American Rescue Plan Infrastructure Investment & Jobs Act
	Cost per passing	\$1,500 - \$2,500*	\$1,000 - \$1,400	\$250 - \$350	TBD
	Terminal penetration	55%	38%	31%	TBD

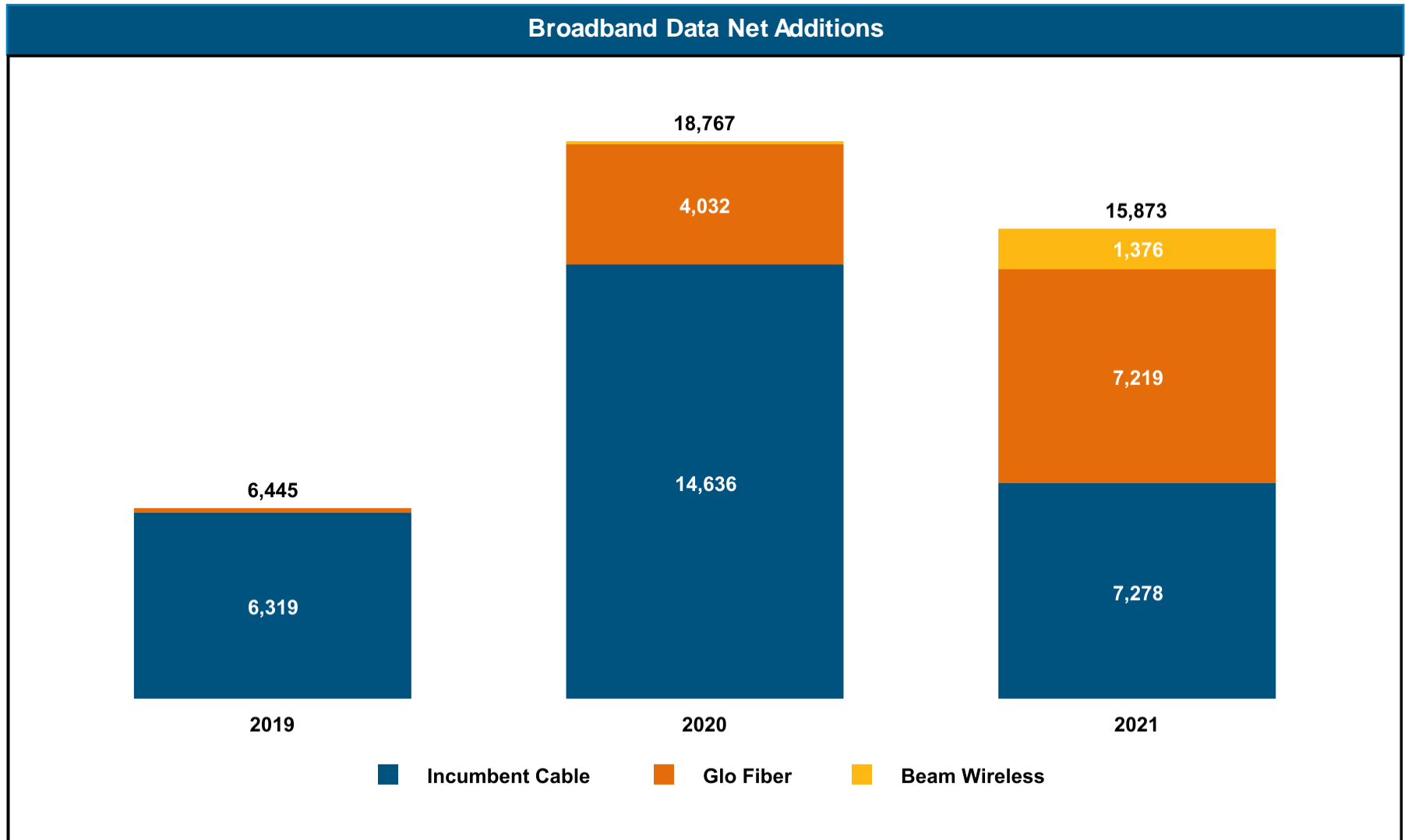
*Incumbent cable only



Broadband network rapidly becoming fiber dominant

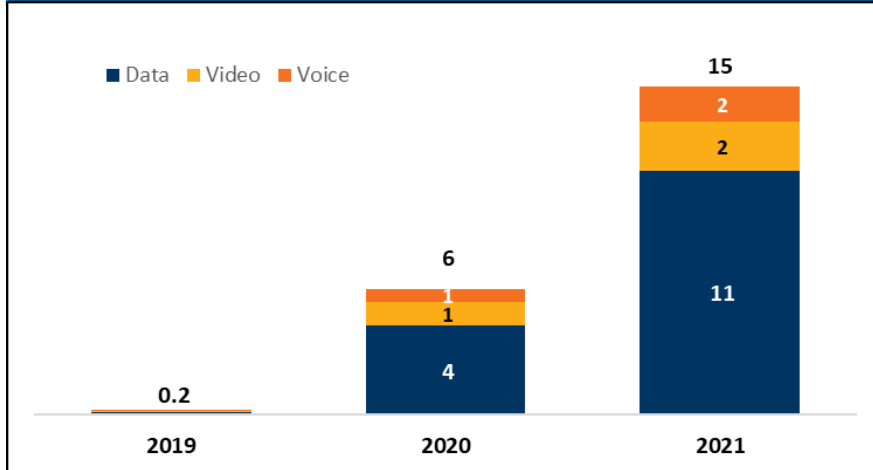


Strong broadband data net additions

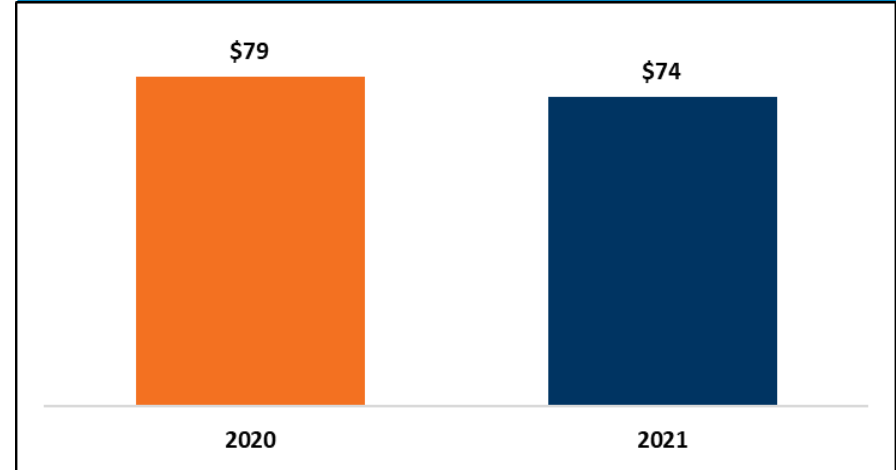


Glo Fiber metrics consistent with investment thesis

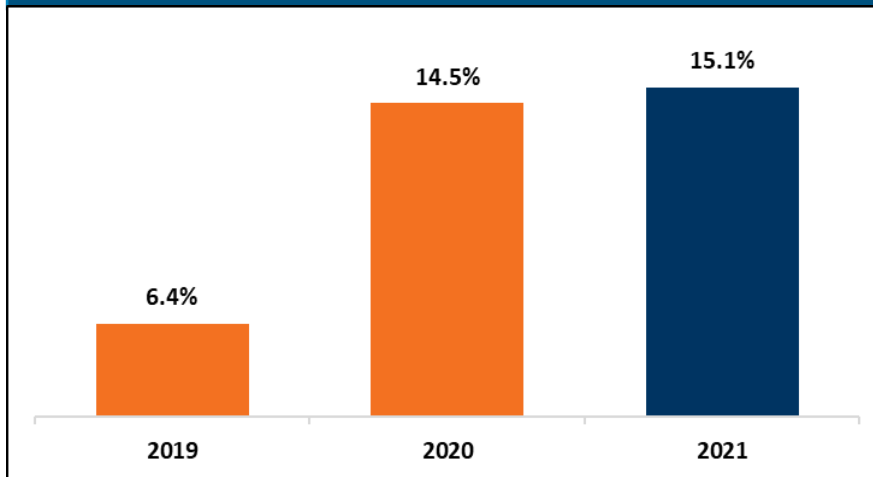
Revenue Generating Units (RGUs in 000s)



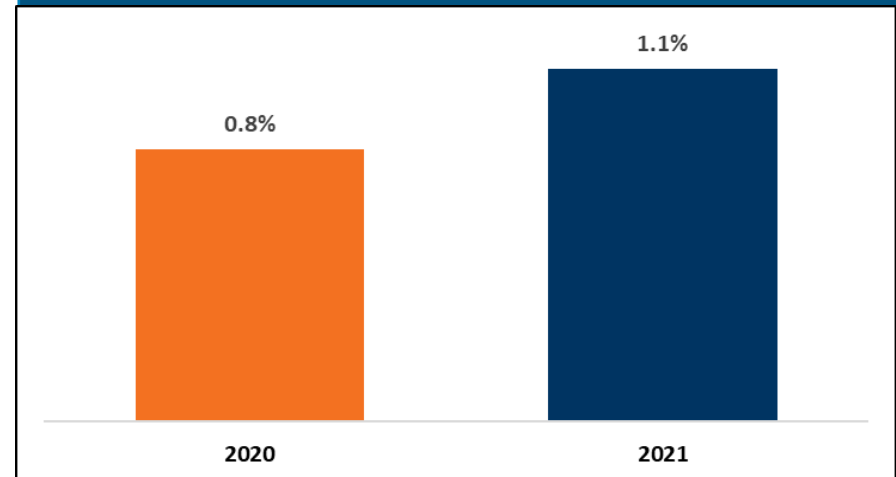
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

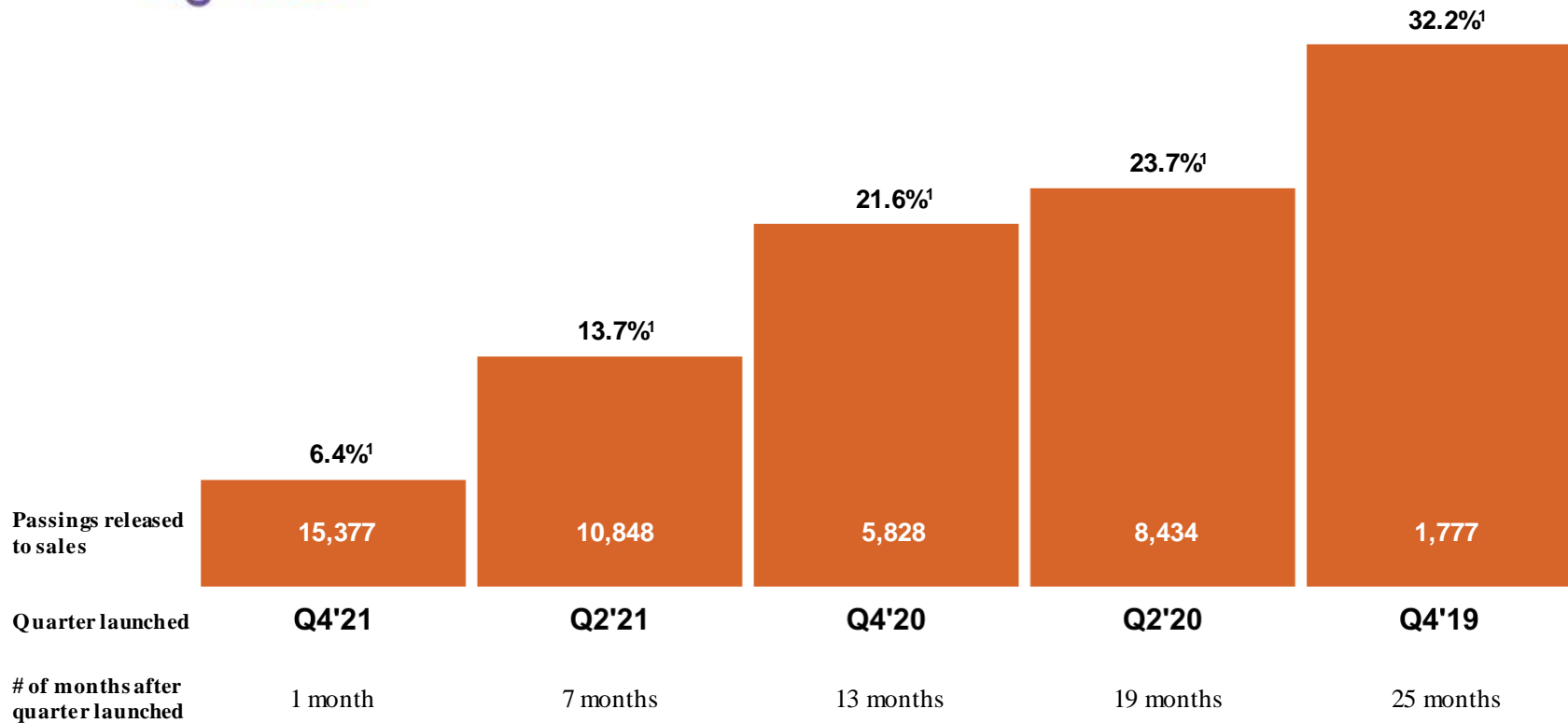


Broadband Data Churn



Vintage Glo Fiber penetration

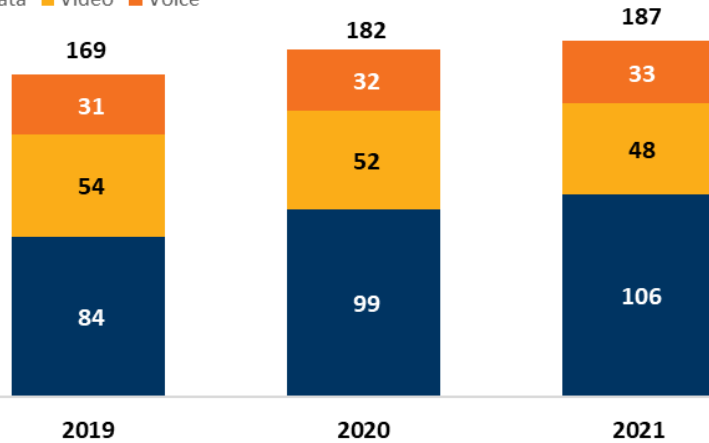
Vintage Glo Fiber Penetration



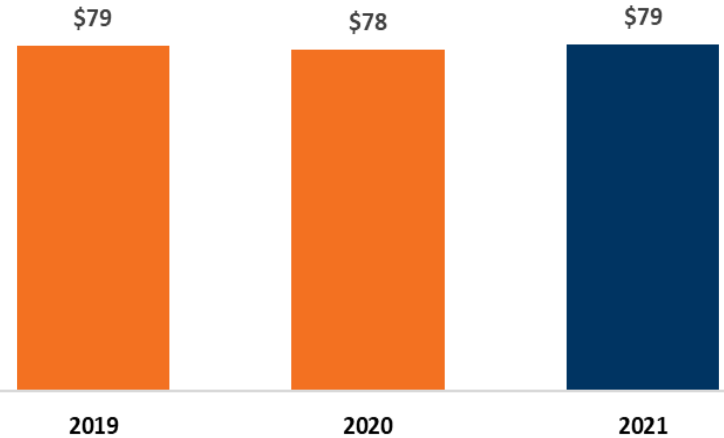
Key Incumbent Cable metrics trending well

Revenue Generating Units (RGU)

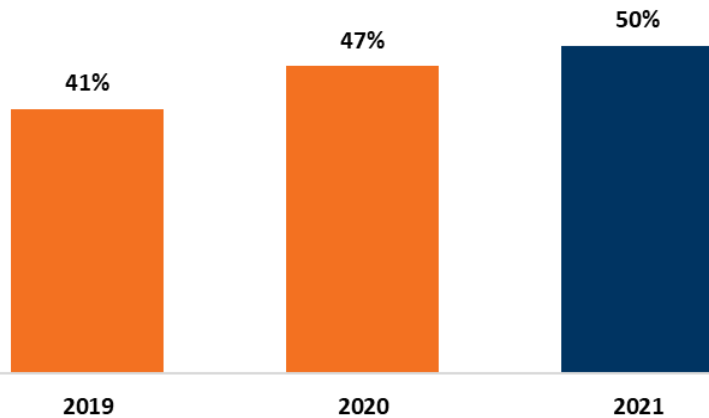
■ Data ■ Video ■ Voice



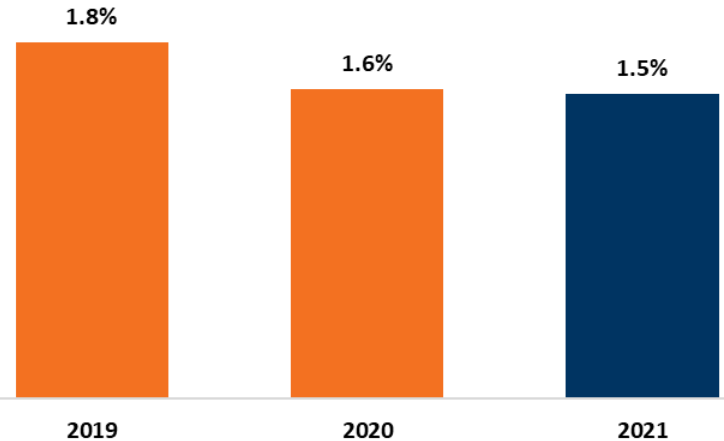
Broadband Data Average Revenue per User (ARPU)






Broadband Data Penetration



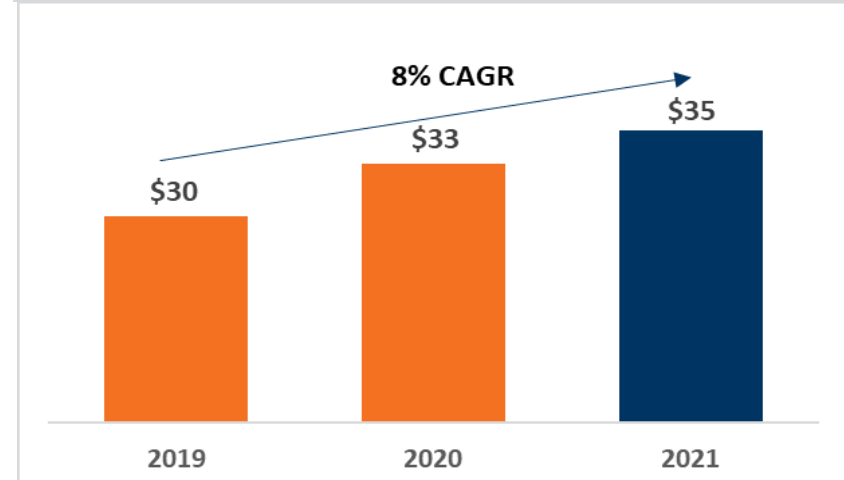
Broadband Data Churn



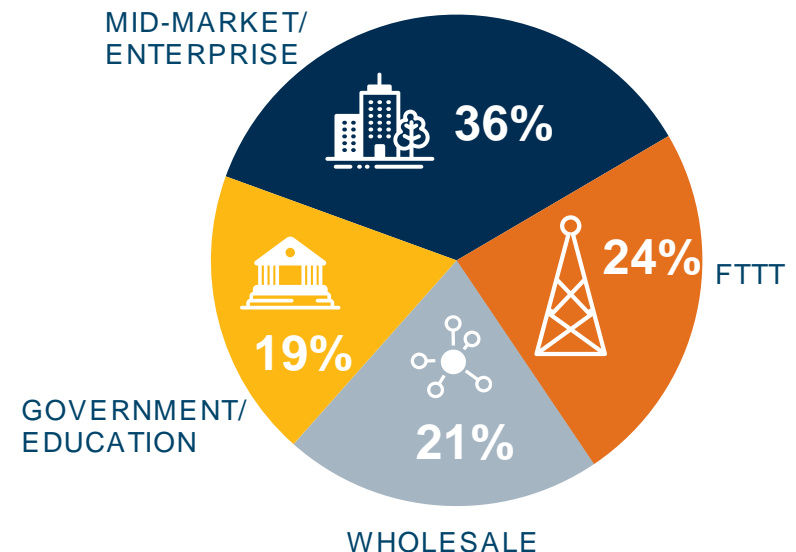
PRODUCT OVERVIEW (% OF COMMERCIAL FIBER REVENUE)

 DATA	88%	<ul style="list-style-type: none"> Ethernet DIA Wave Dark Fiber
 VOICE	10%	<ul style="list-style-type: none"> SIP VoIP Switched LD
 OTHER	2%	<ul style="list-style-type: none"> Managed Services Bulk-Video Other

ANNUAL REVENUE (\$m)



MRR BY CUSTOMER TYPE

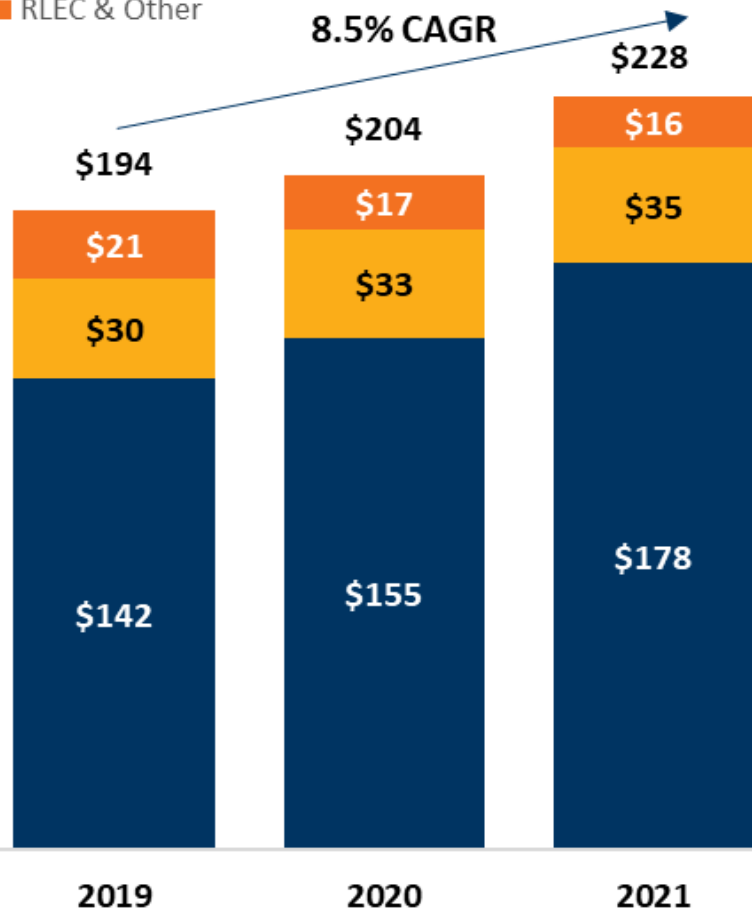


Broadband financial highlights

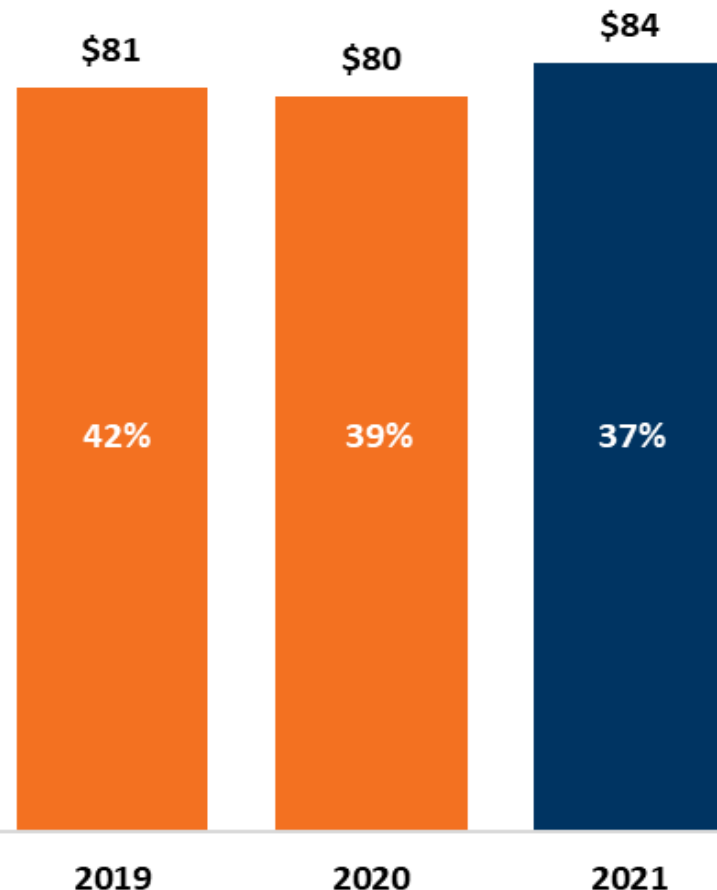
Revenue (in millions)

- Residential & SMB
- Commercial Fiber
- RLEC & Other

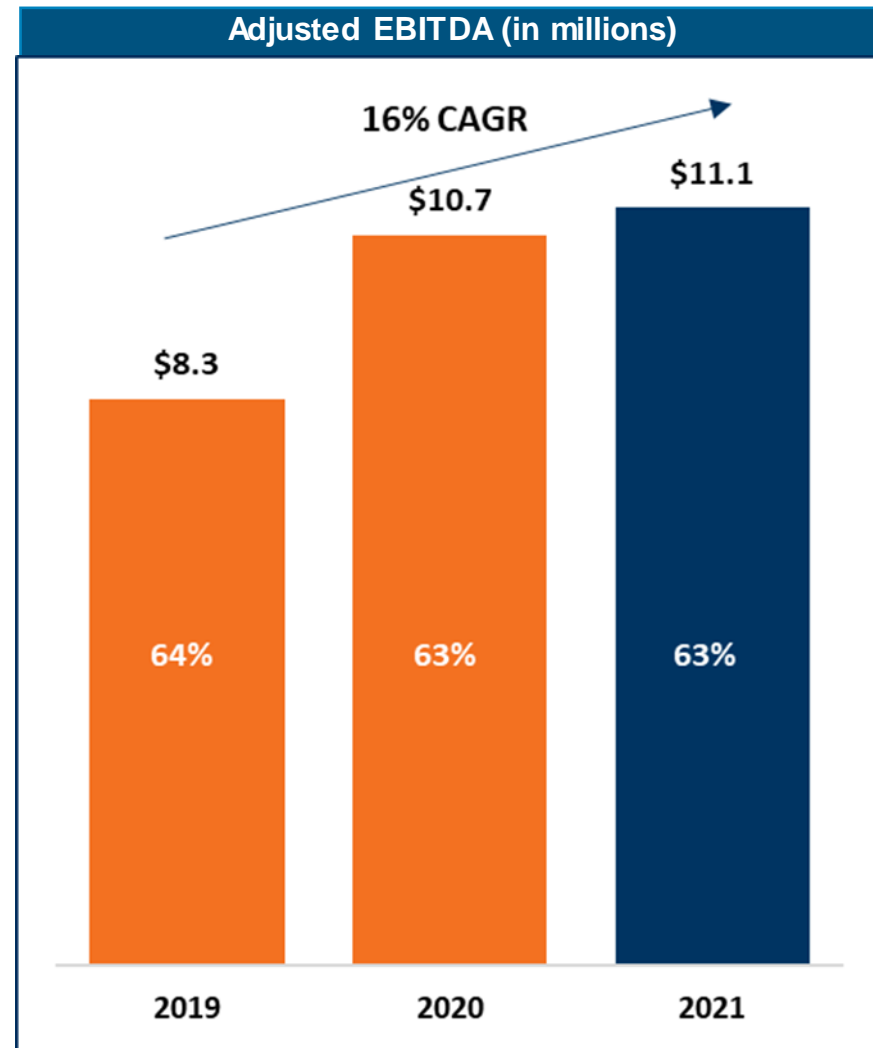
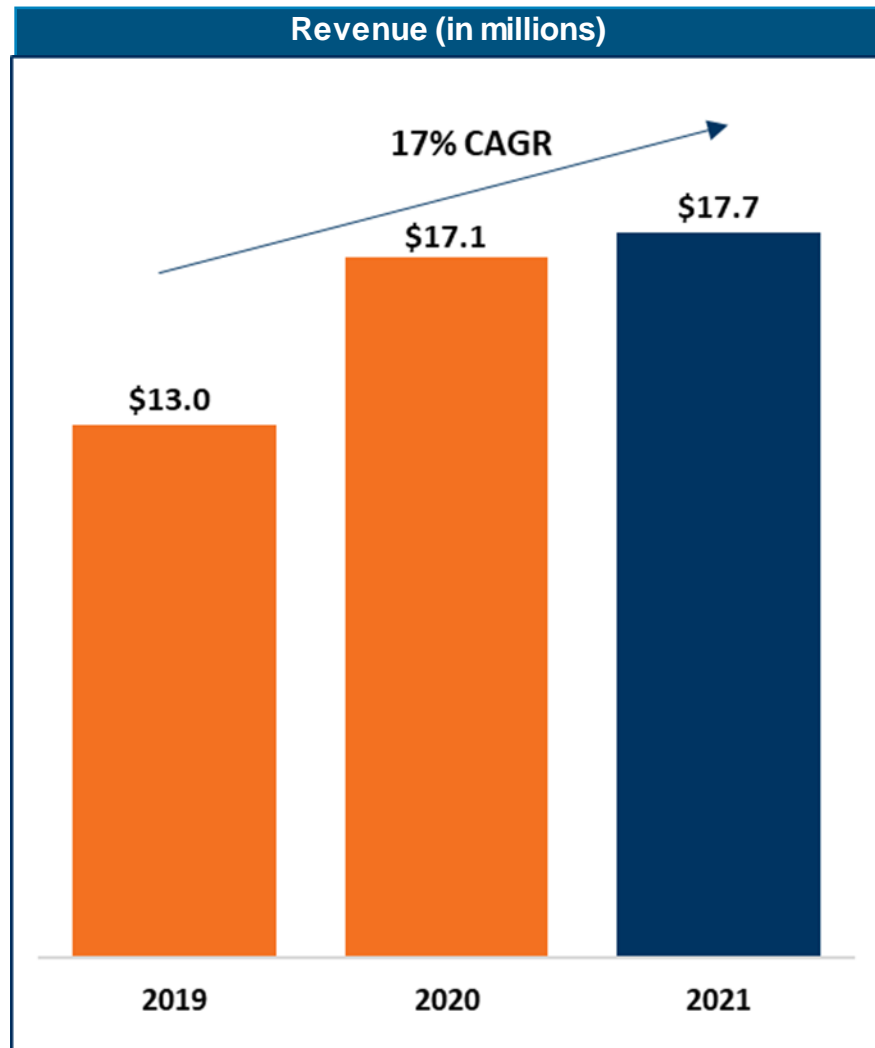
8.5% CAGR



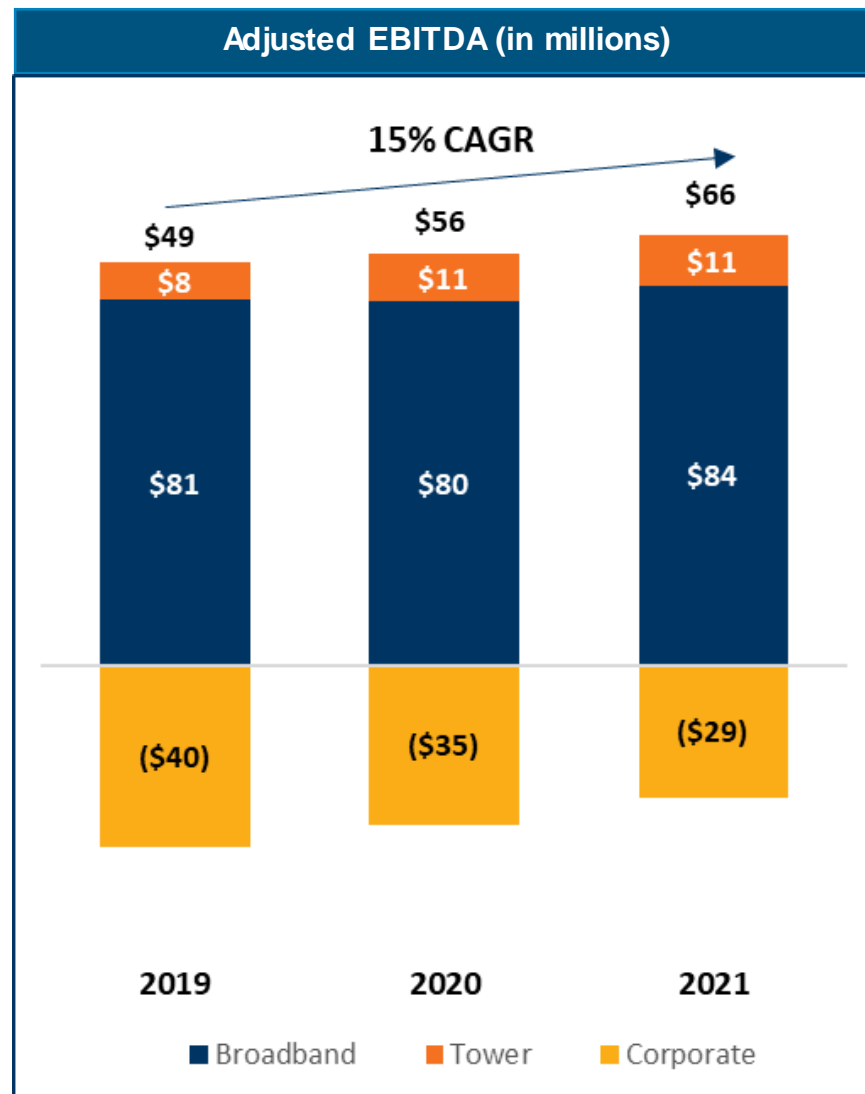
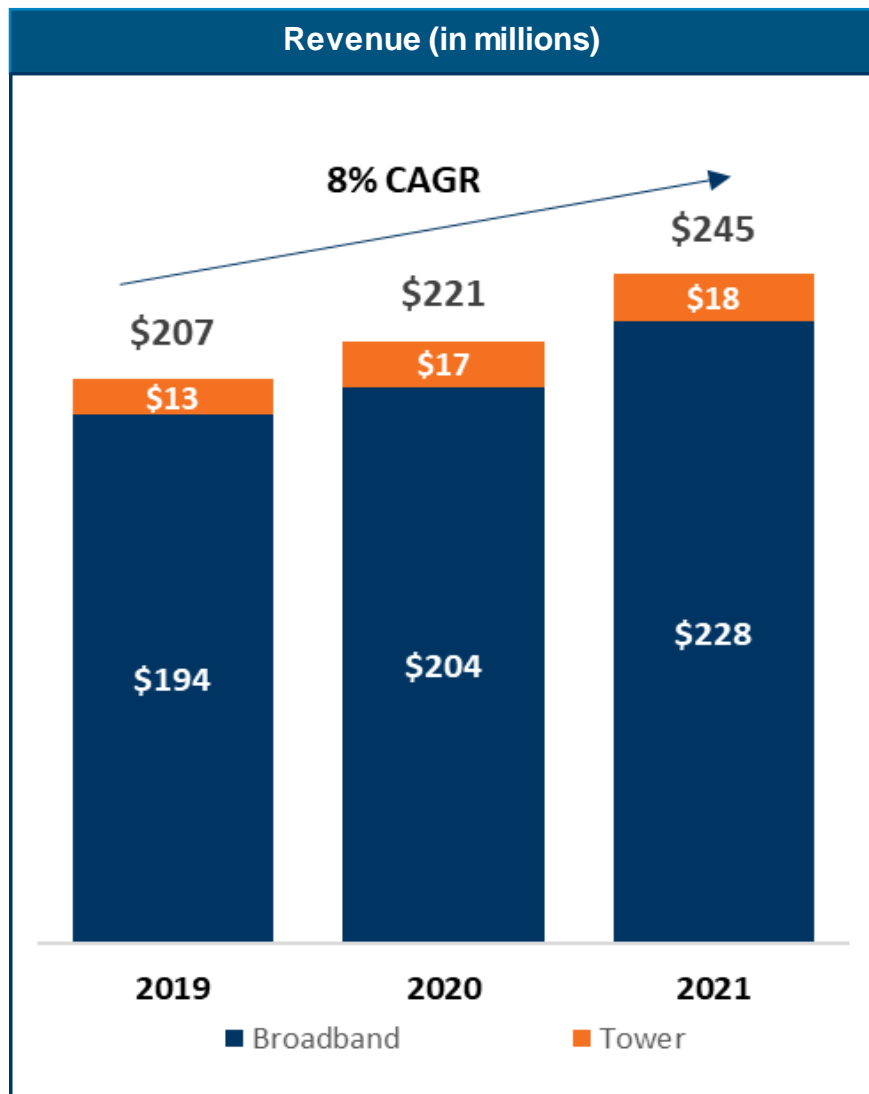
Adjusted EBITDA (in millions) *



Tower financial highlights

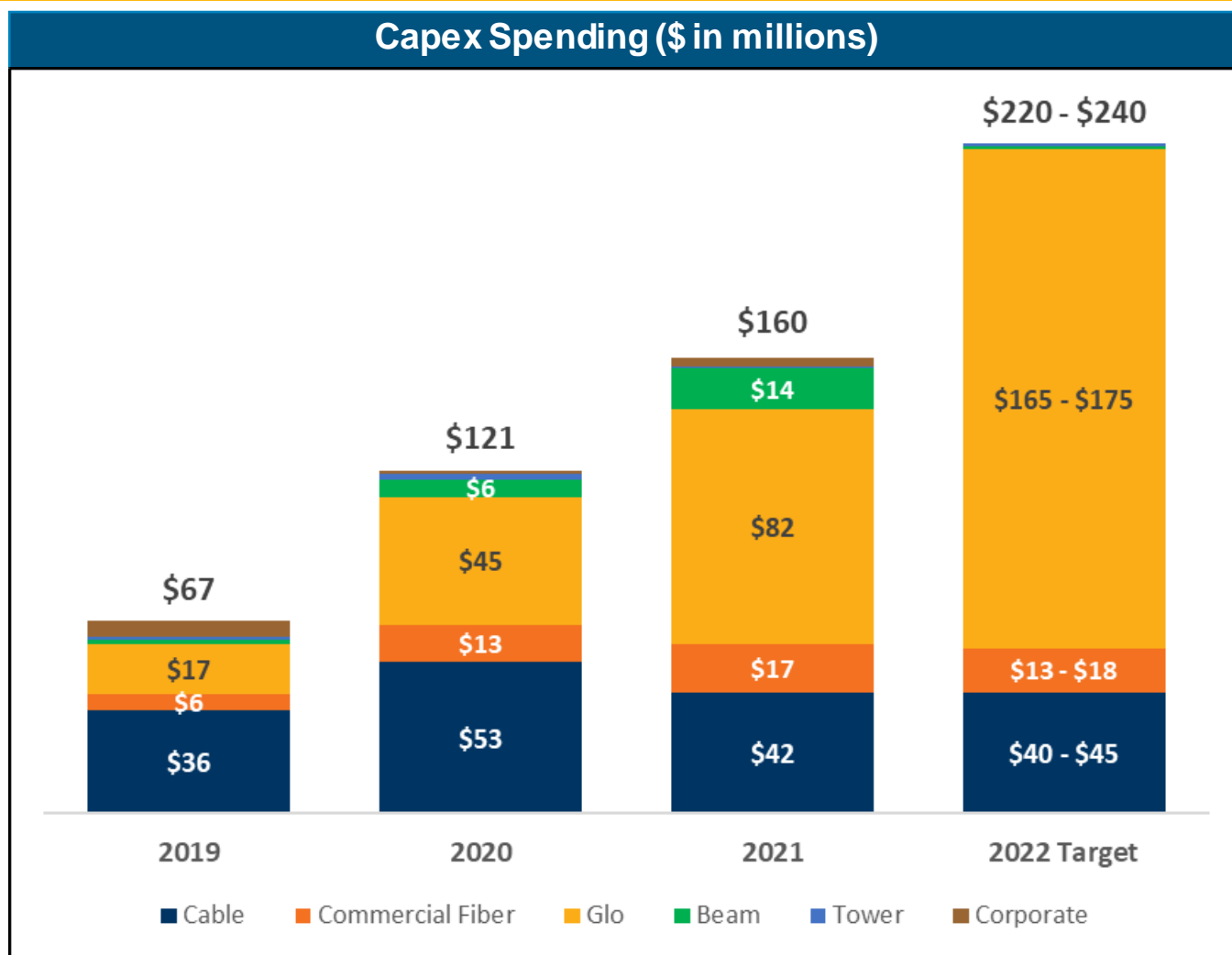


Proven track record of strong growth

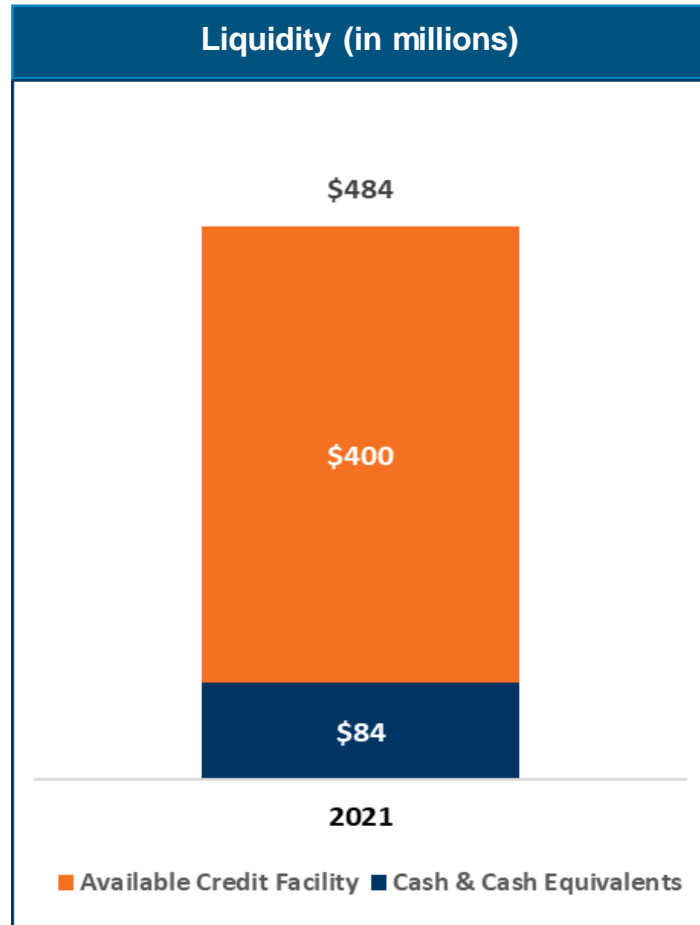


Consolidated revenue includes elimination of intercompany activity.

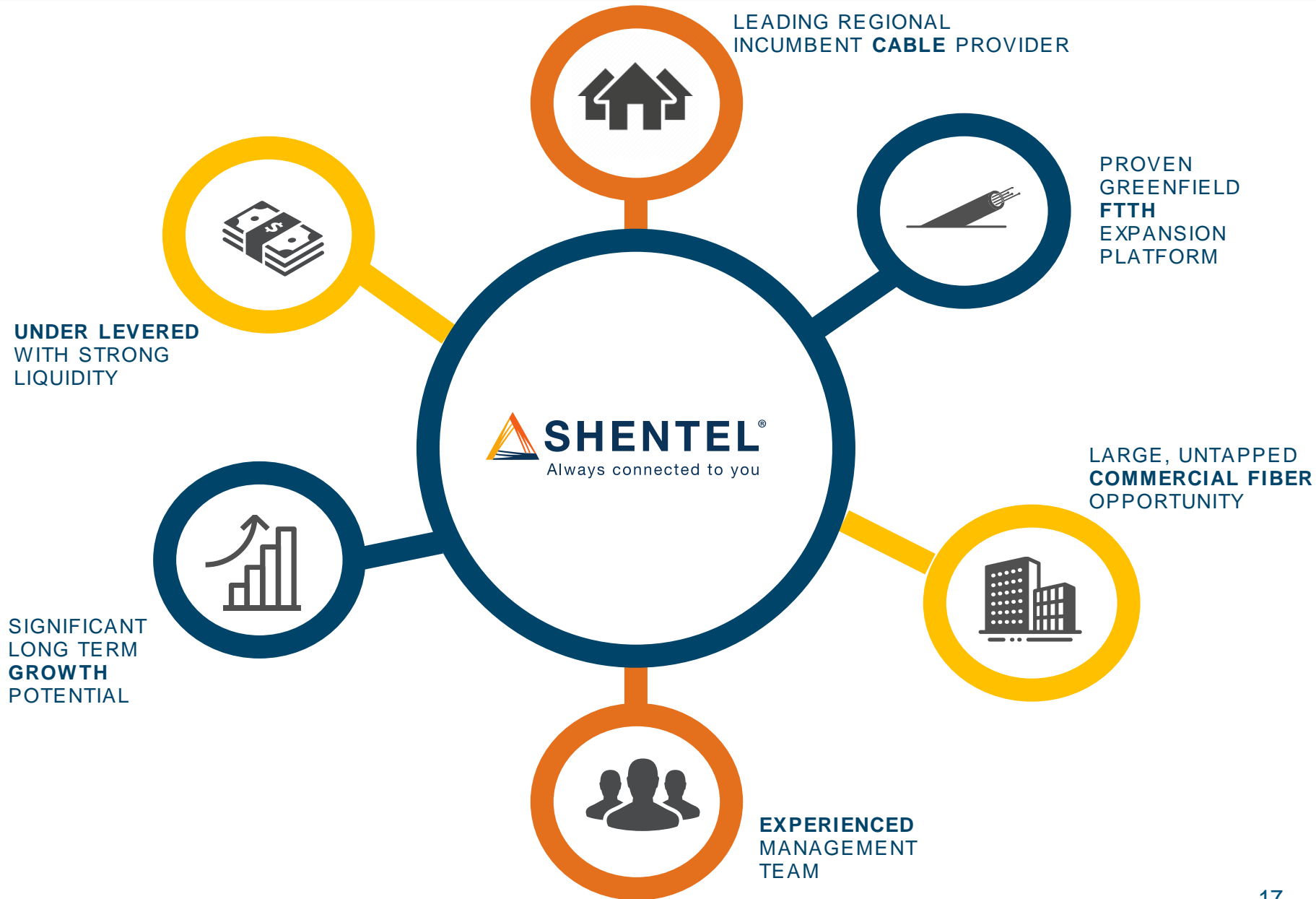
Investing for a Fiber First future



Strong liquidity & balance sheet



- No outstanding debt currently
- Will start to draw on delay draw term loans in 2022
- Expect peak net leverage of 2.9x in 2024
- Significant financial flexibility for upsizing the Glo Fiber expansion or M&A



Q&A

Appendix

Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with US 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 US 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.

Year Ended December 31, 2021

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss)	\$ 28,571	\$ 9,016	\$ (29,658)	\$ 7,929
Depreciation and amortization	47,937	2,053	5,216	55,206
Other expense (income), net	261	—	(8,926)	(8,665)
Income tax expense (benefit)	—	—	(1,694)	(1,694)
EBITDA	76,769	11,069	(35,062)	52,776
Stock-based compensation	—	—	3,408	3,408
Restructuring charges and transaction related fees	924	6	2,626	3,556
Impairment expense	5,986	—	—	5,986
Adjusted EBITDA	<u>\$ 83,679</u>	<u>\$ 11,075</u>	<u>\$ (29,028)</u>	<u>\$ 65,726</u>

Year Ended December 31, 2020

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss)	\$ 38,749	\$ 8,823	\$ (45,996)	\$ 1,576
Depreciation and amortization	41,076	1,906	5,721	48,703
Other expense (income), net	158	—	(3,345)	(3,187)
Income tax expense (benefit)	—	—	(990)	(990)
EBITDA	79,983	10,729	(44,610)	46,102
Stock-based compensation	—	—	5,907	5,907
Restructuring charges and transaction related fees	101	—	3,679	3,780
Adjusted EBITDA	<u>\$ 80,084</u>	<u>\$ 10,729</u>	<u>\$ (35,024)</u>	<u>\$ 55,789</u>

Year Ended December 31, 2019

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net Income	\$ 41,797	\$ 6,295	\$ (46,160)	\$ 1,932
D&A	38,566	1,976	6,244	46,786
Other expense (income), net	177	0	(3,457)	(3,280)
Income tax expense (benefit)	0	0	6	6
EBITDA	80,540	8,271	(43,367)	45,444
Stock-based compensation	—	—	3,367	3,367
Adjusted EBITDA	\$ 81,540	\$ 8,271	\$ (40,000)	\$ 48,811

Incumbent Cable	<u>2019</u>	<u>2020</u>	<u>2021</u>
Data Residential & SMB Revenue (\$000's)	\$75,604	\$85,127	\$97,848
Average Revenue Generating Units	<u>80,035</u>	<u>90,983</u>	<u>103,216</u>
Average Revenue per User (ARPU)	<u>\$78.72</u>	<u>\$77.97</u>	<u>\$79.00</u>

Glo Fiber	<u>2020</u>	<u>2021</u>
Data Residential & SMB Revenue (\$000's)	\$1,576	\$6,586
Average Revenue Generating Units	<u>1,665</u>	<u>7,415</u>
Average Revenue per User (ARPU)	<u>\$78.90</u>	<u>\$74.02</u>

Beam Fixed Wireless	<u>4Q20 *</u>	<u>2021</u>
Data Residential & SMB Revenue (\$000's)	\$12	\$707
Average Revenue Generating Units	<u>82</u>	<u>811</u>
Average Revenue per User (ARPU)	<u>\$73.17</u>	<u>\$72.65</u>

* First full quarter of operation

Average Revenue Per User calculation = (Residential & SMB Revenue * 1,000) / average revenue generating units / 3 or 12 months (or 2 months for Beam)