



Q4 2021
Earnings Conference Call
March 1, 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:

- ❑ Intensifying 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.



Chris French

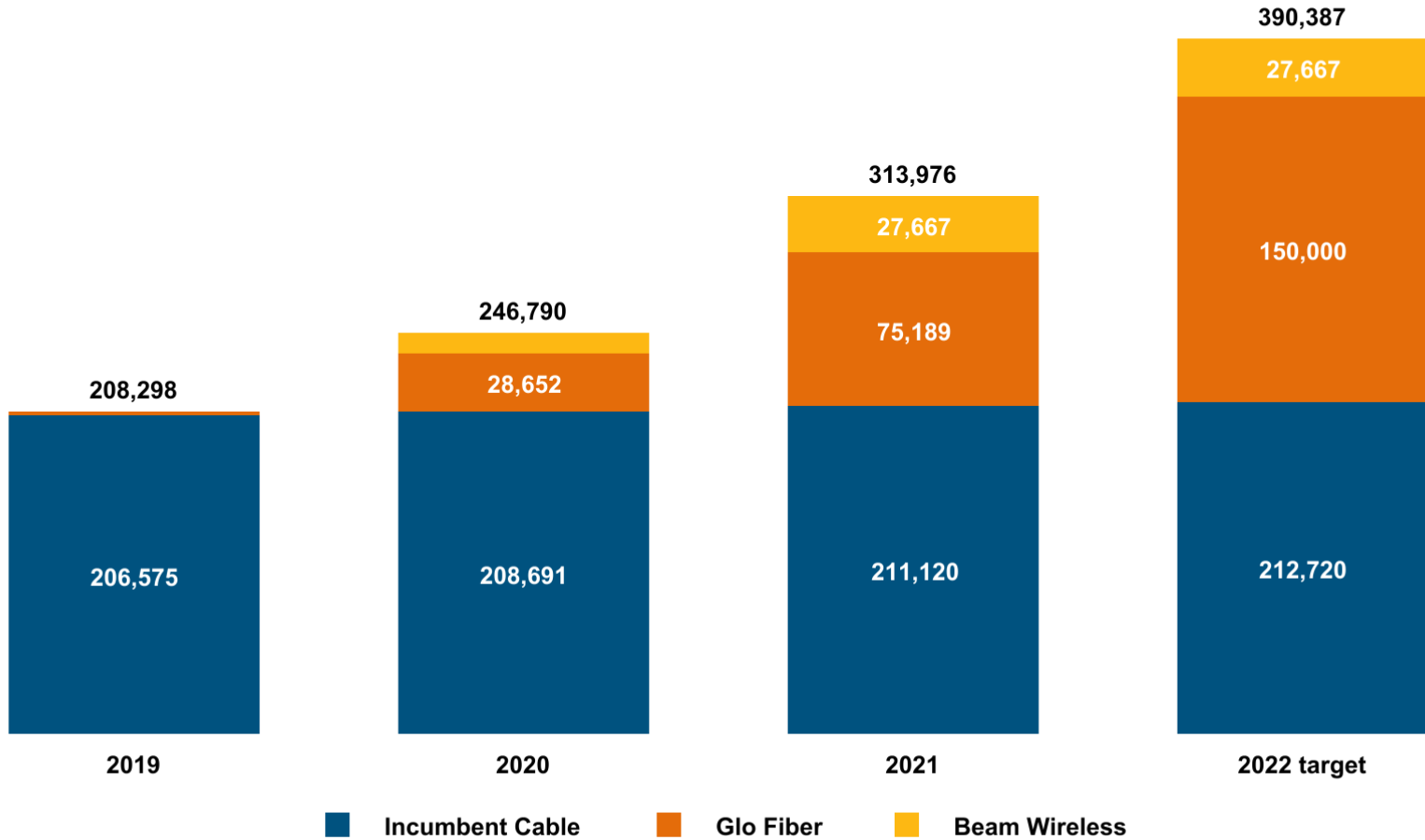
President and CEO

2021 was a Transformative Year!

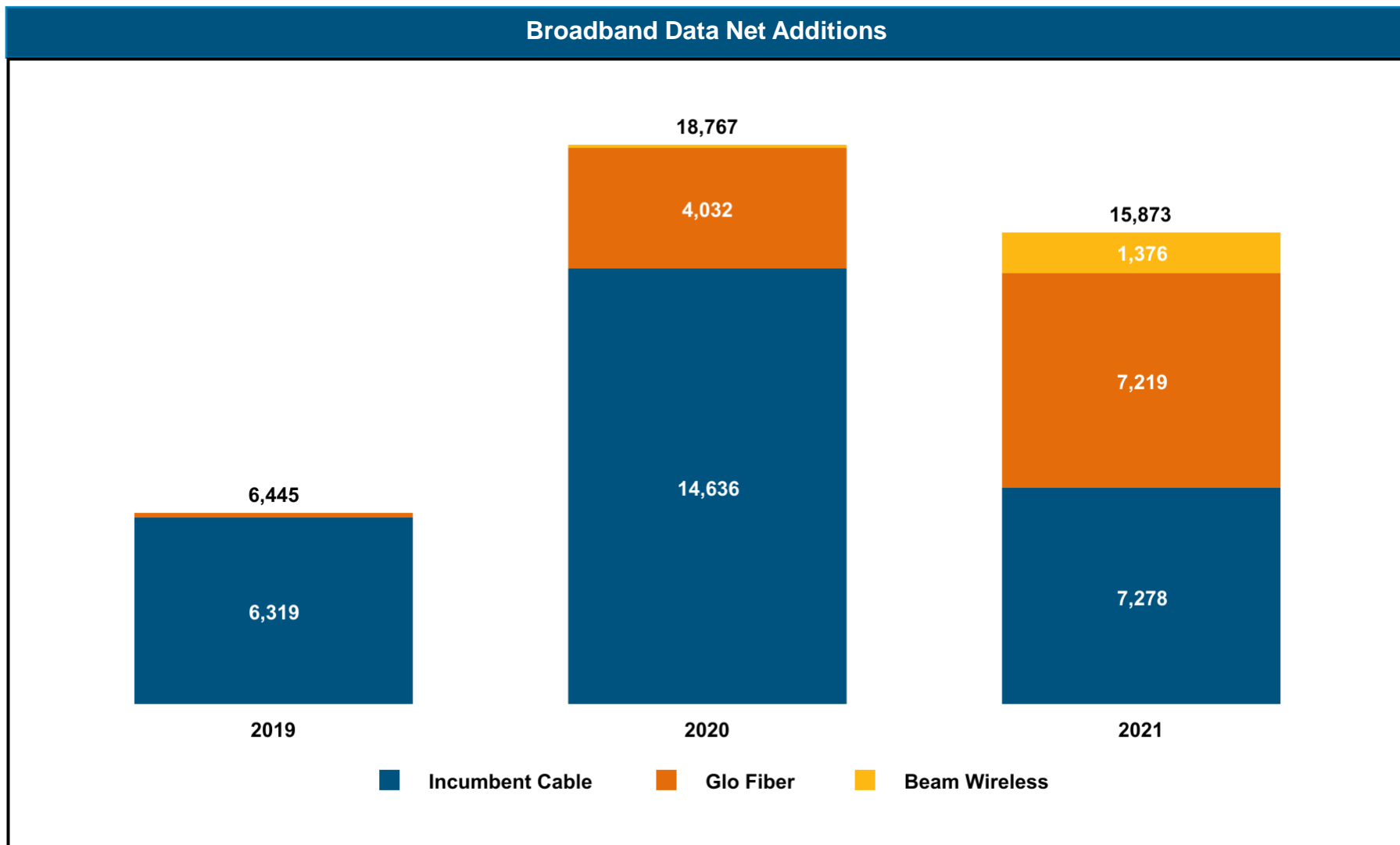
- ✓ Successfully divested our Wireless business for \$1.94 billion
- ✓ Paid \$940 million in dividends to our shareholders
- ✓ De-levered our balance sheet and raised \$400 million in growth capital
- ✓ Invested \$82 million to grow the Glo Fiber network and customer base
- ✓ Achieved a record year for construction and net additions for Glo Fiber
- ✓ Secured franchise agreements and government grant awards to grow Glo Fiber construction backlog to 255,000 passings
- ✓ Completed a reduction in force to create \$4 million in annual run-rate savings

Growing Broadband Network

Broadband Data Homes and Businesses Passed



Broadband Data Net Additions





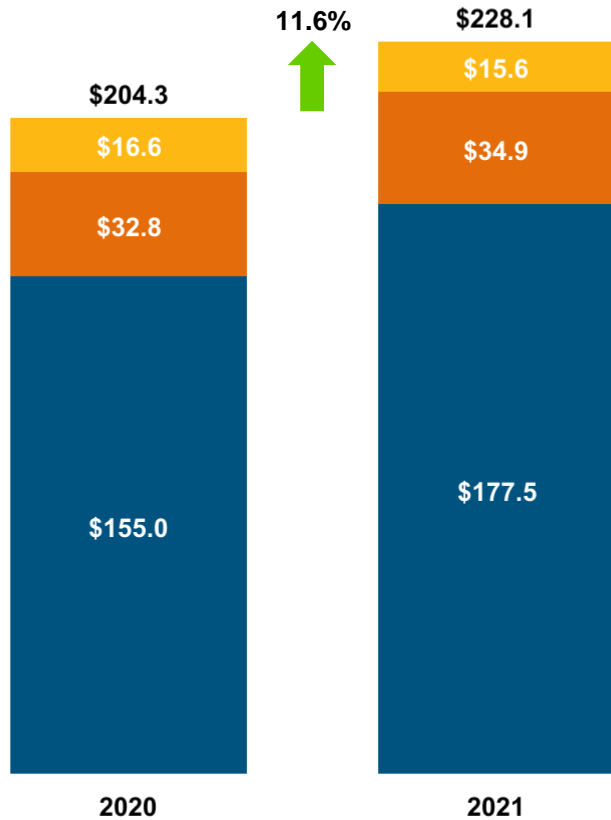
Jim Volk

SVP of Finance and CFO

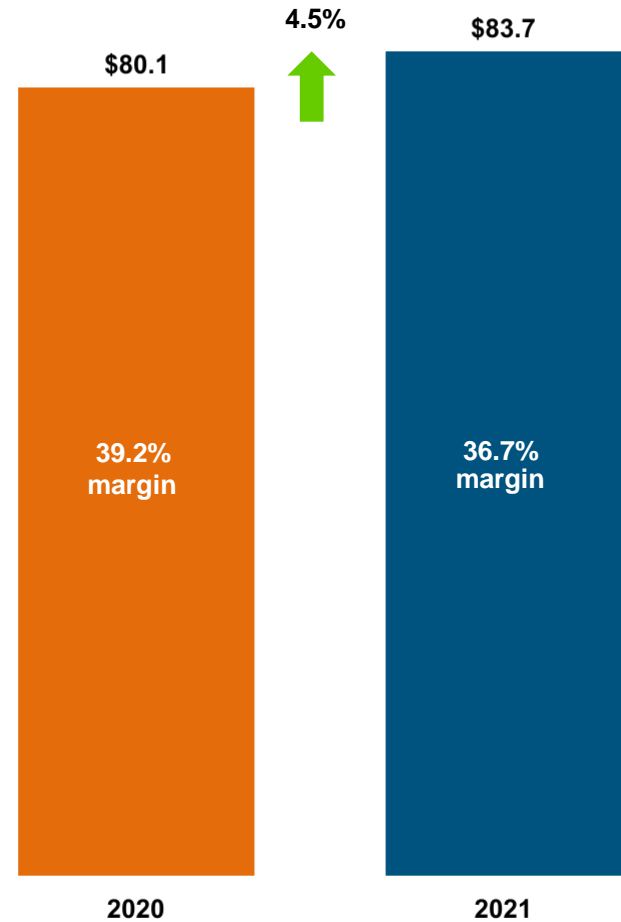
Broadband Highlights - Full Year Results

Revenue (in millions)

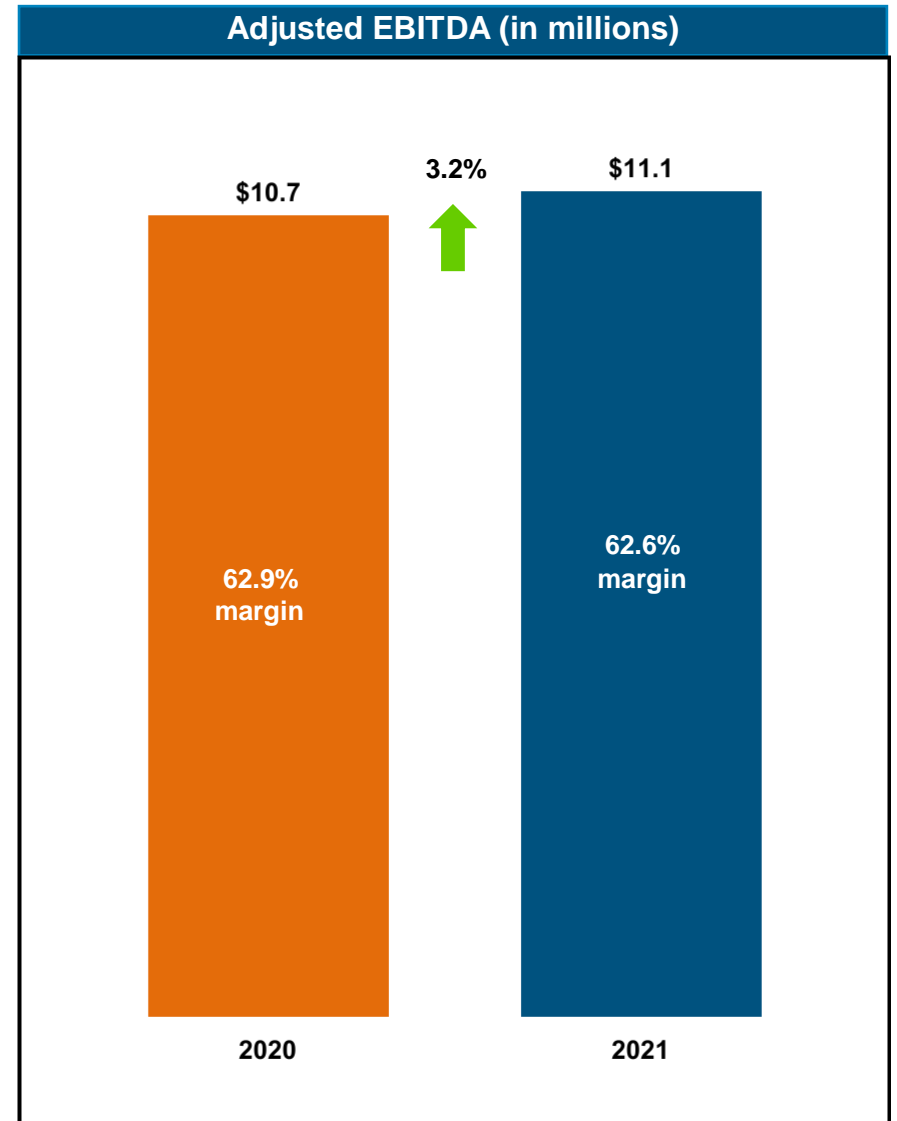
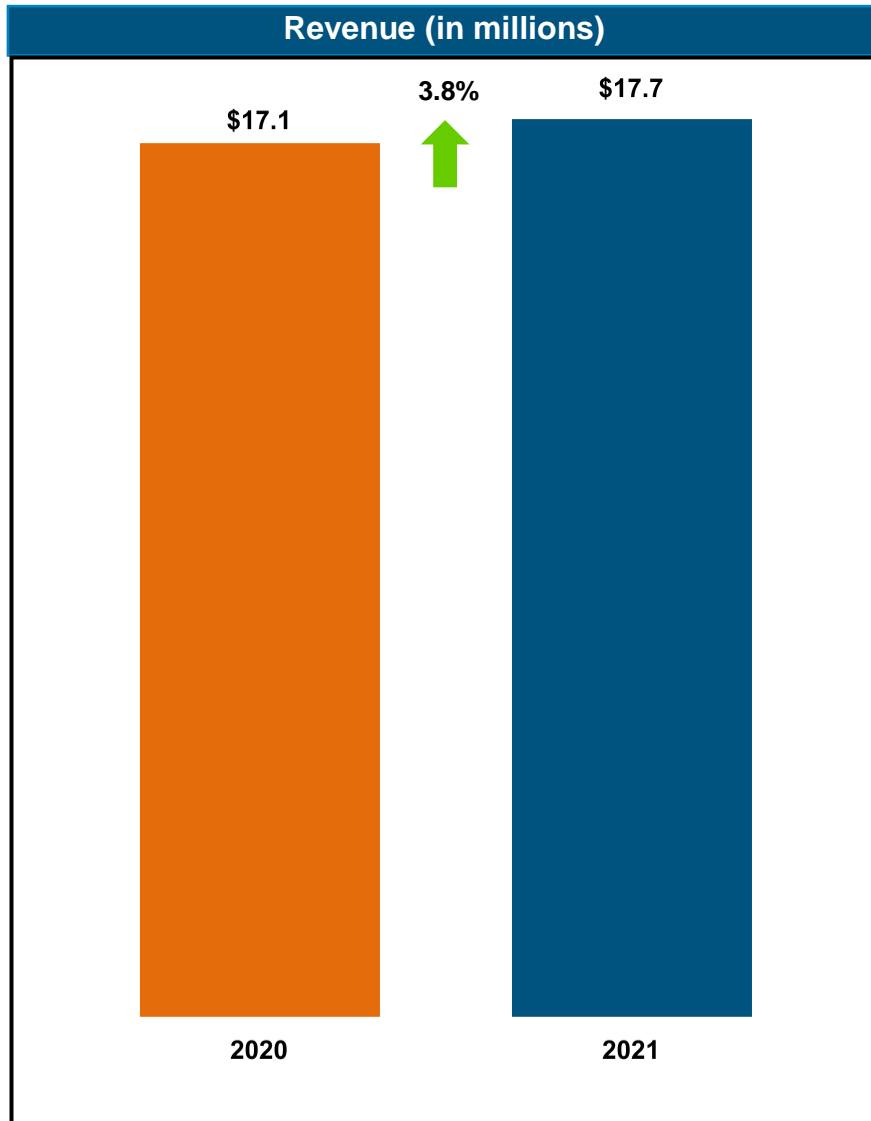
- Residential & SMB
- Commercial Fiber
- RLEC & Other



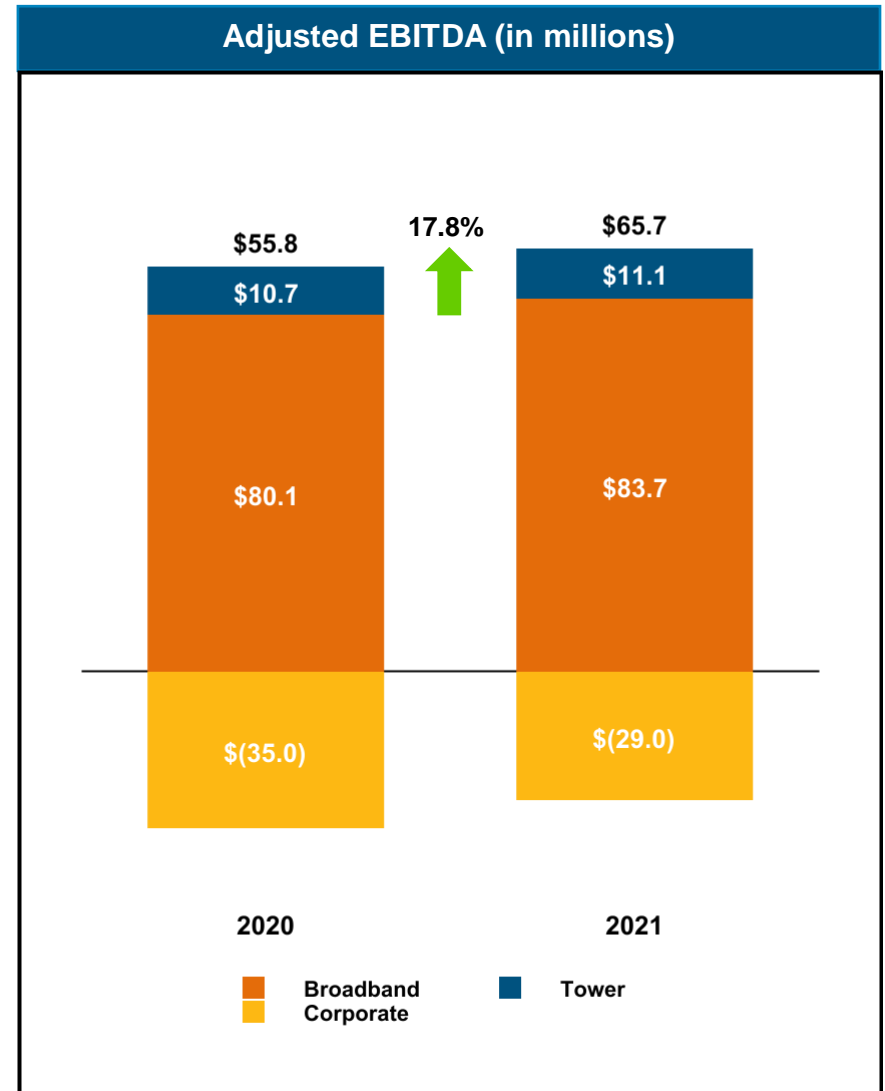
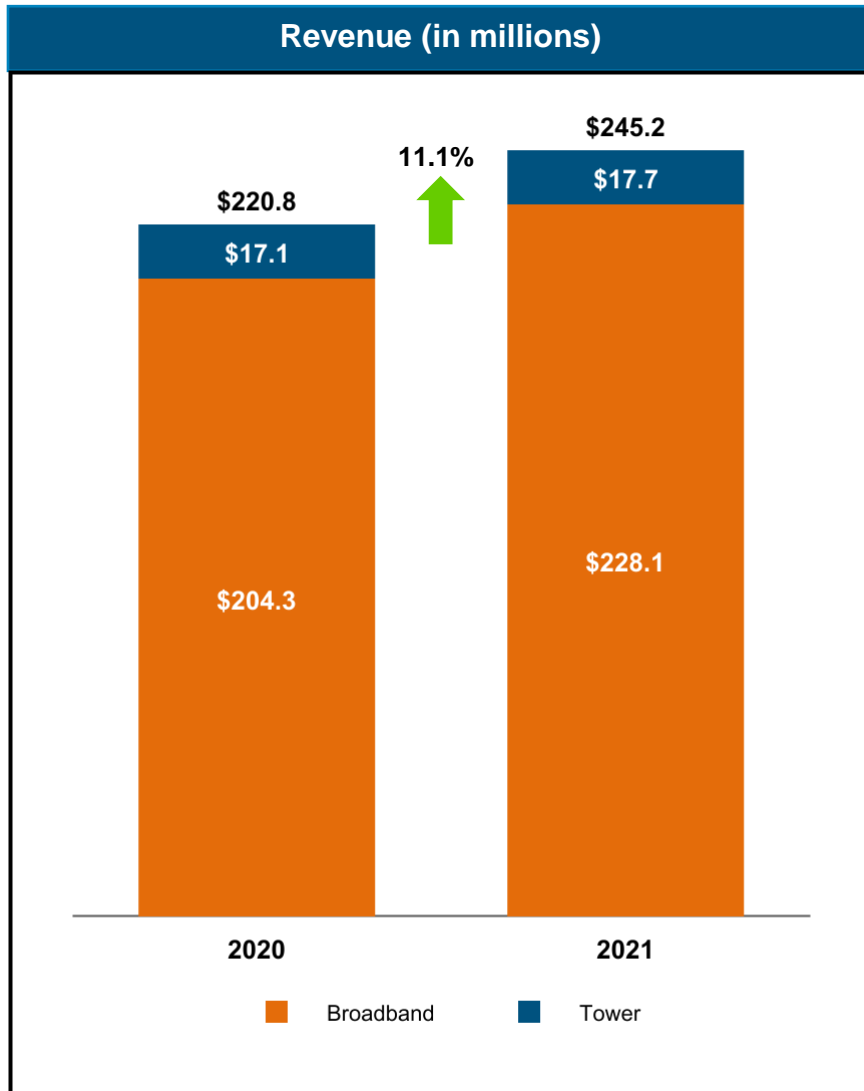
Adjusted EBITDA (in millions)



Tower Highlights - Full Year Results

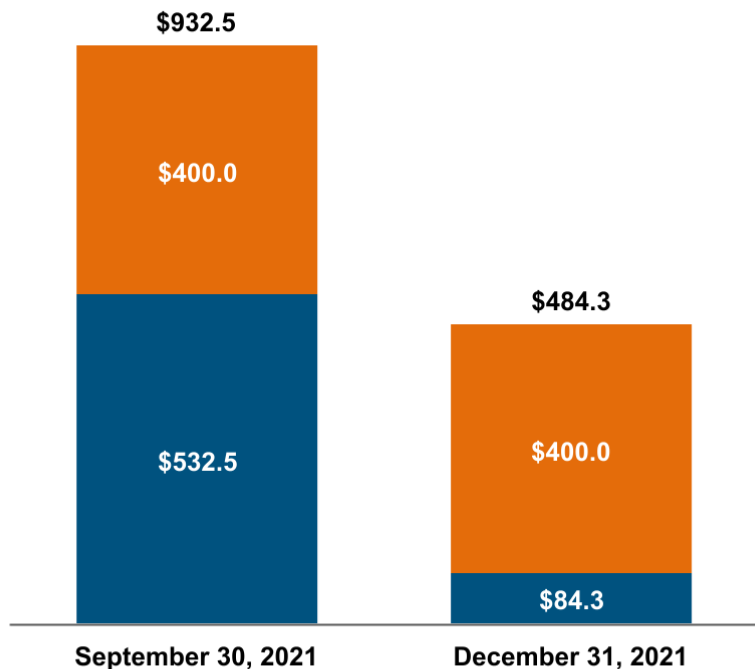


Consolidated Highlights - Full Year Results



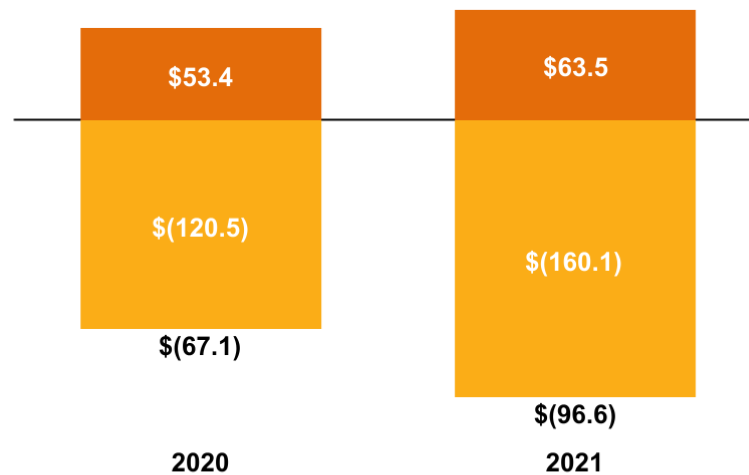
Liquidity & Free Cash Flow

Liquidity (in millions)



■ Cash & Cash Equivalents
■ Available Credit Facility

YTD Free Cash Flow (in millions)



■ Net Cash Provided by Continuing Operations
■ Capital Expenditures



Ed McKay

EVP and COO

Unique network platform with high growth potential



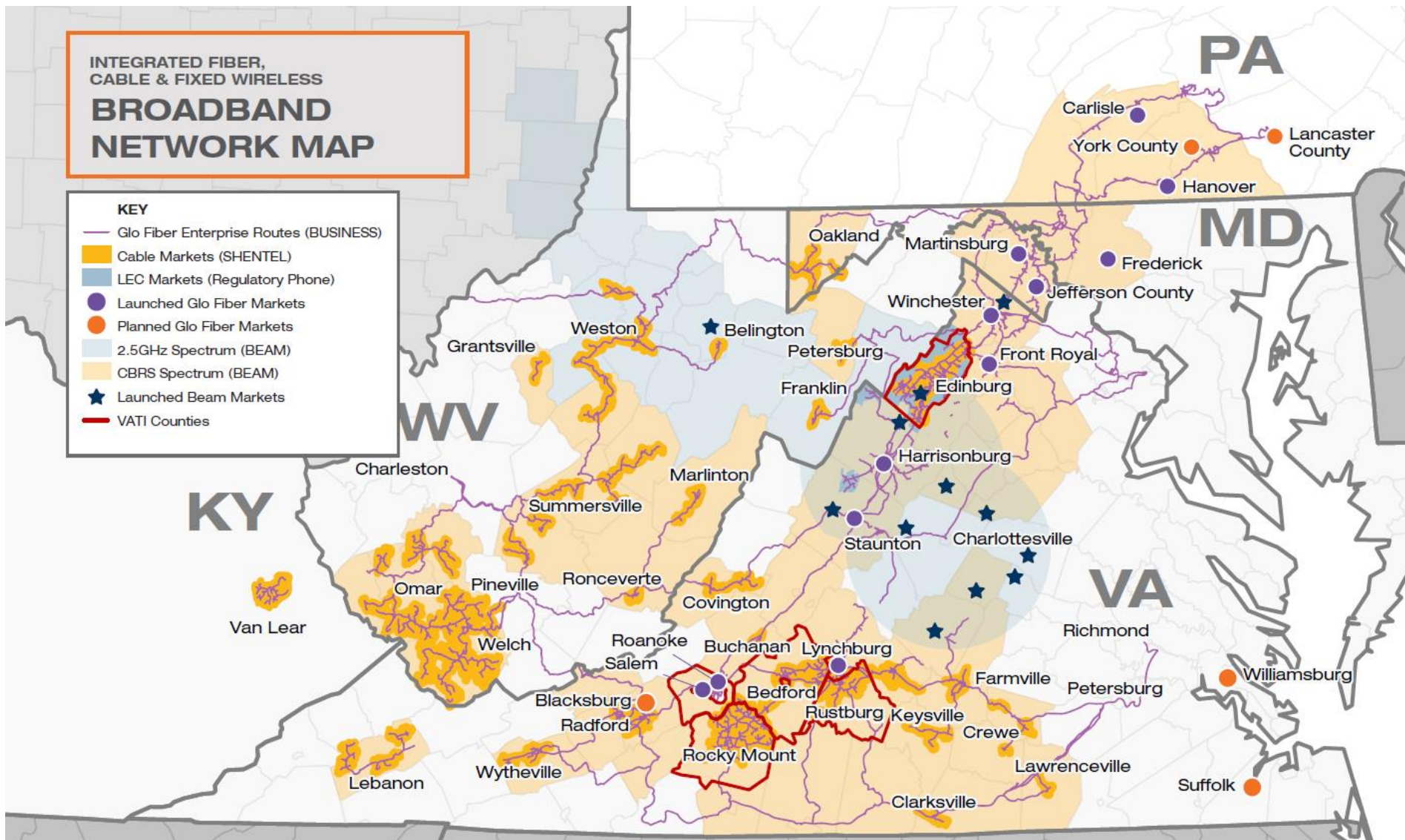
Government Grant Opportunities

Target market dynamic		SHENTEL	glo fiber	beam-	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

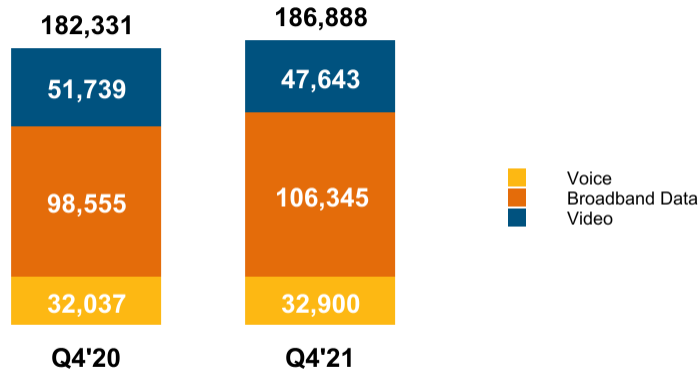


Integrated Fiber, Cable and Fixed Wireless Broadband Network

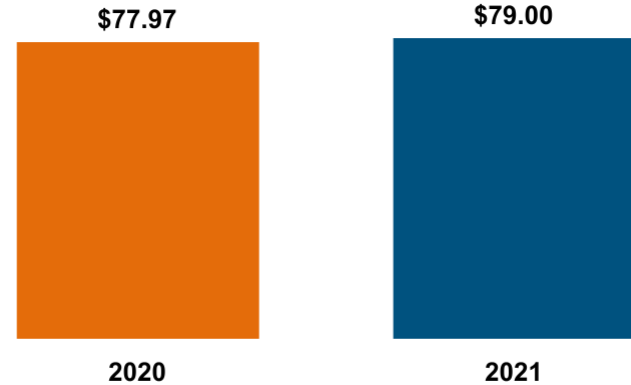


Broadband - Incumbent Cable Metrics

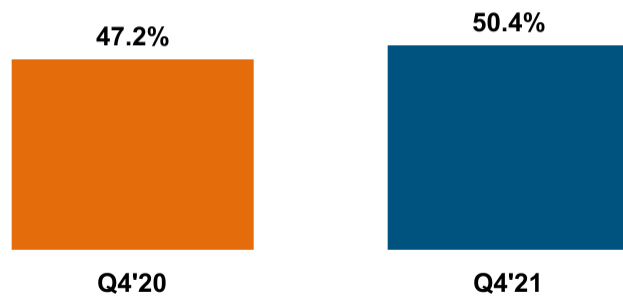
Revenue Generating Units (RGU)



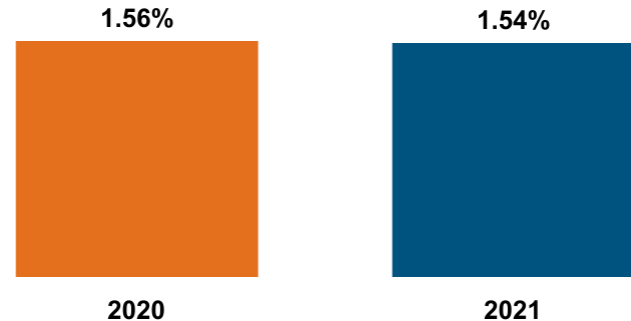
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

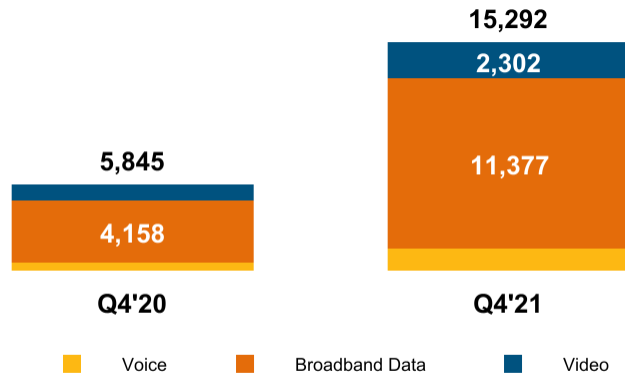


Broadband Data Churn

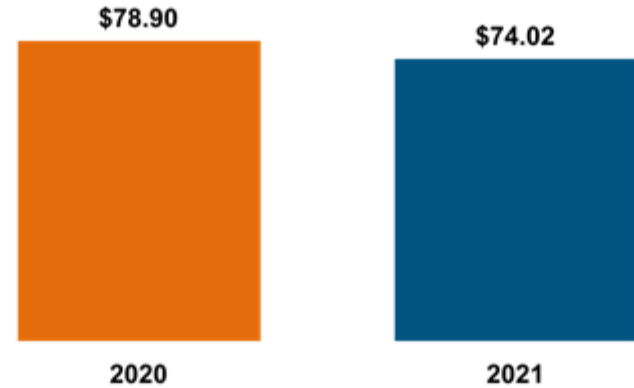


Broadband - Glo Fiber Metrics

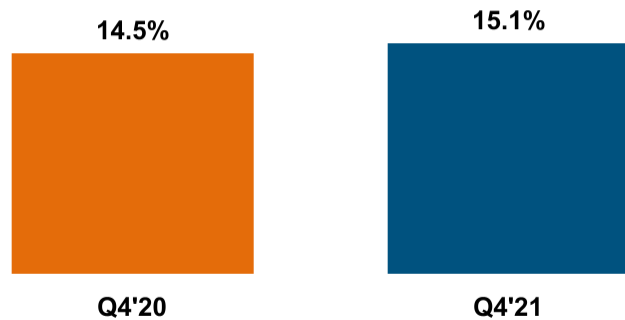
Revenue Generating Units (RGU)



Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

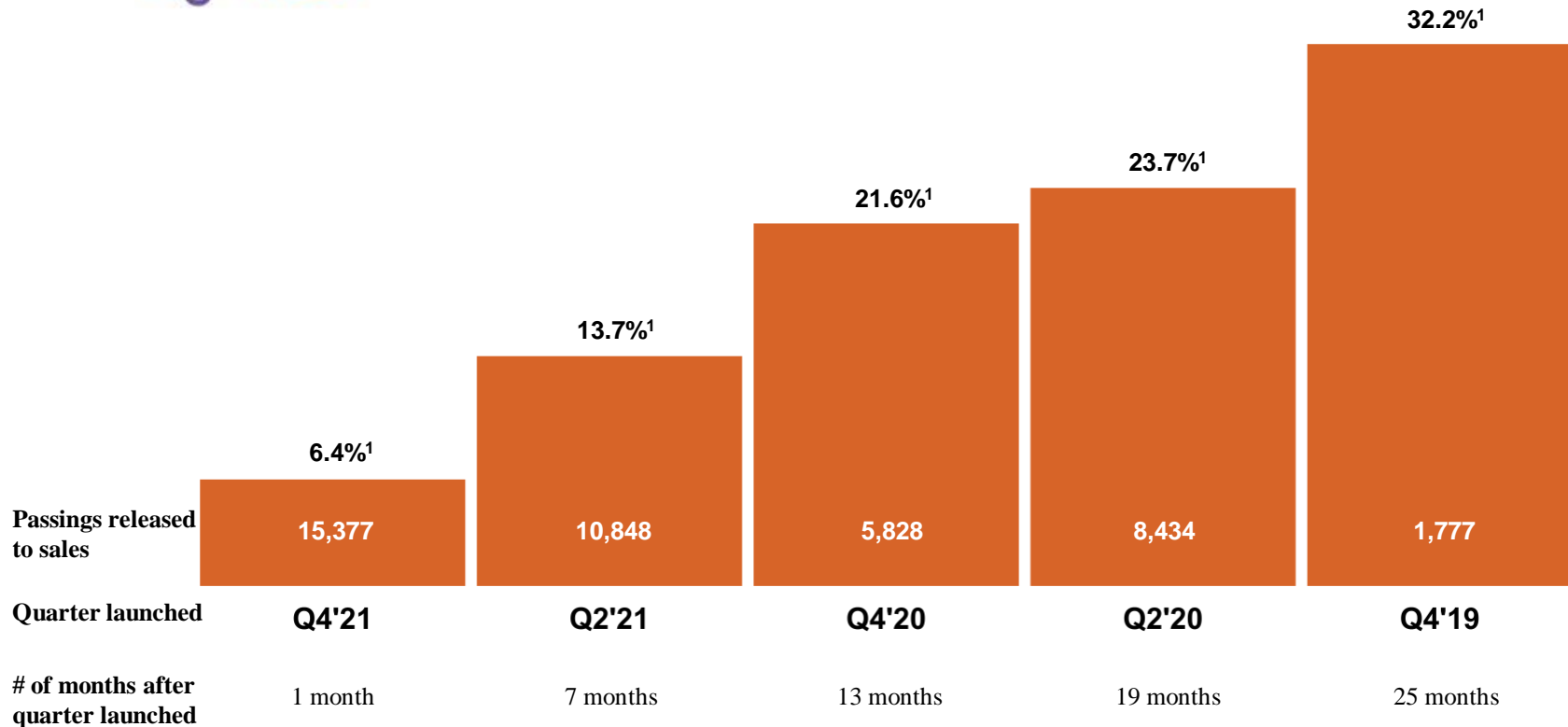


Broadband Data Churn



Vintage Glo Fiber Penetration

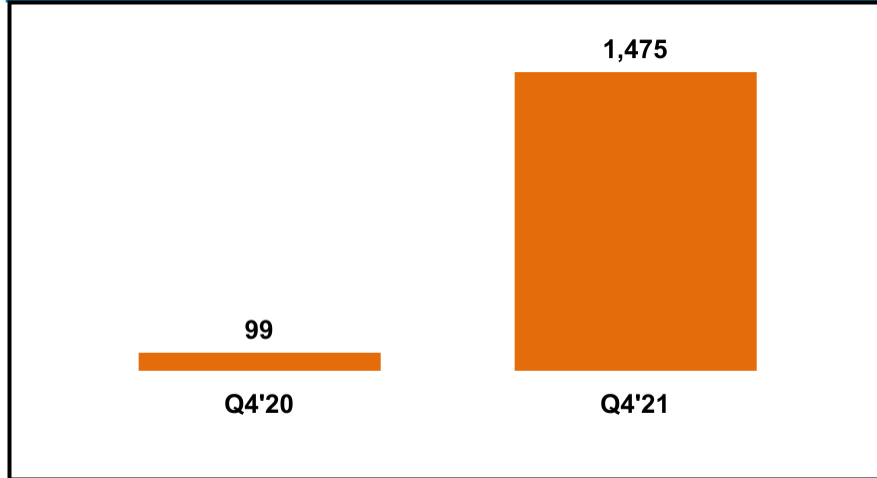
Vintage Glo Fiber Penetration



¹ Penetration rates as of 2/4/2022

Broadband - Beam Broadband Data Metrics

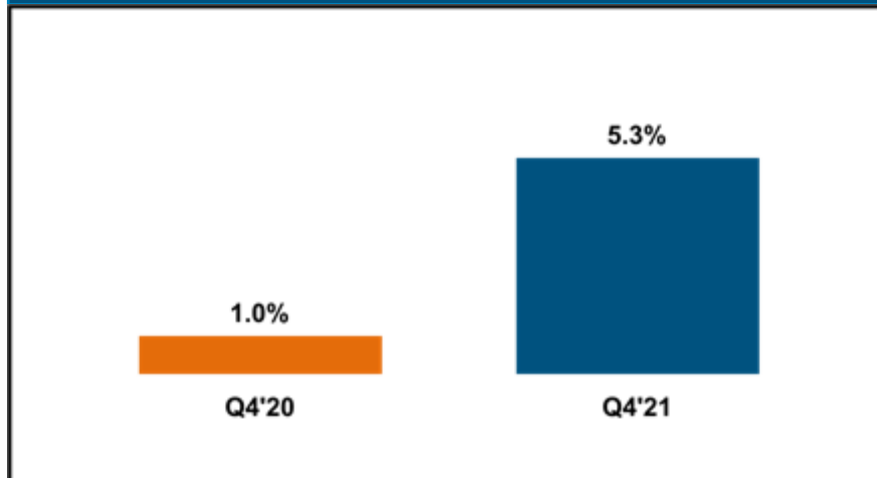
Revenue Generating Units (RGU)



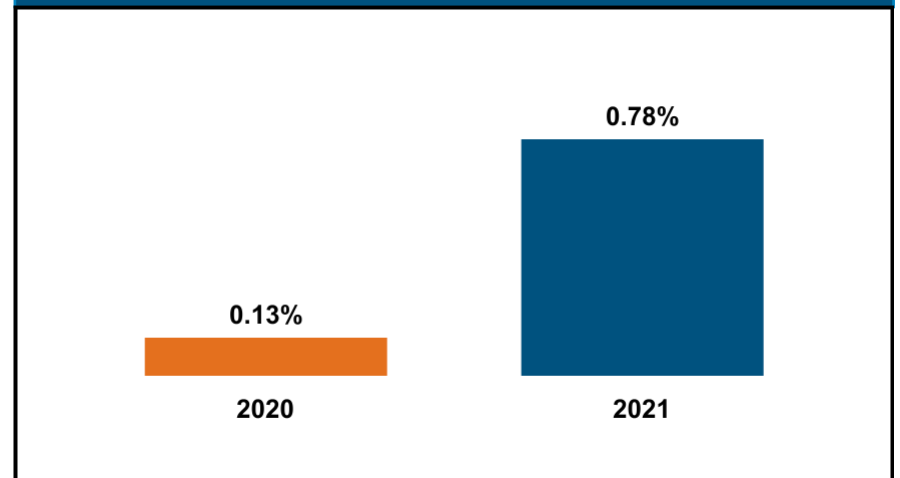
Broadband Data Average Revenue per User (ARPU)



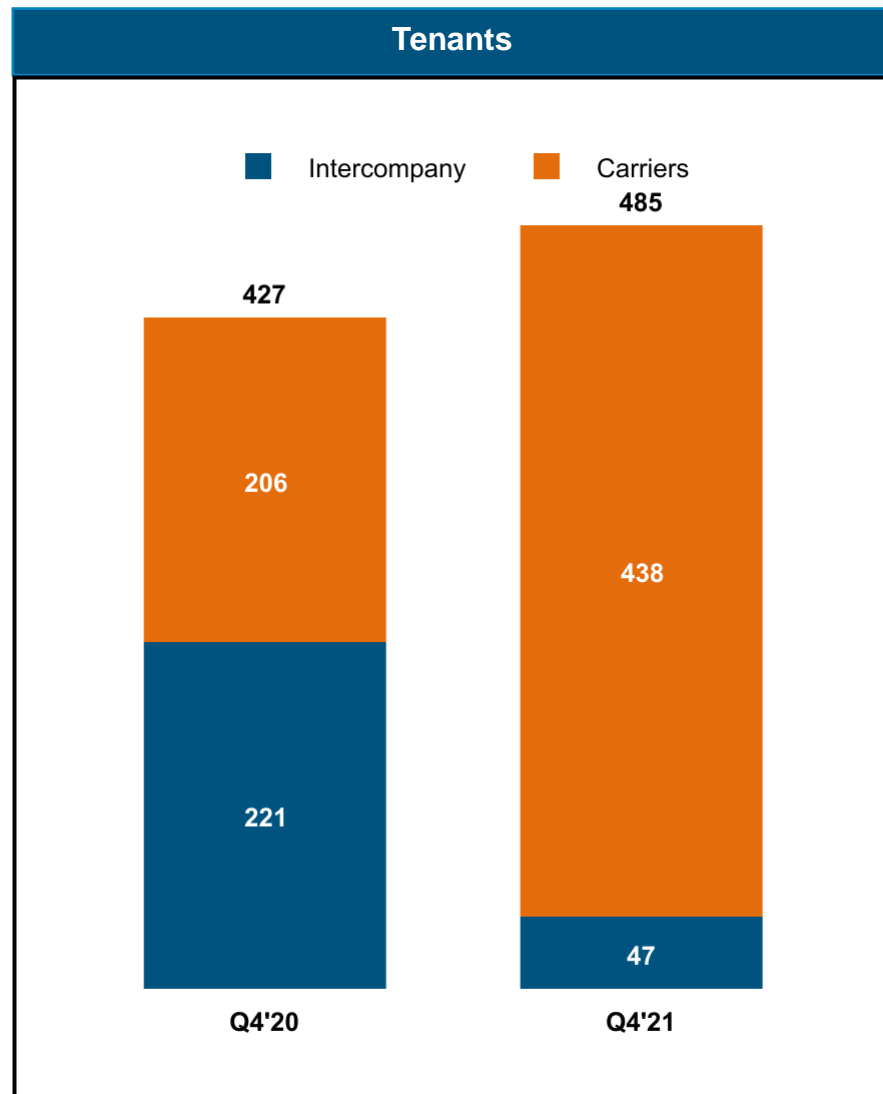
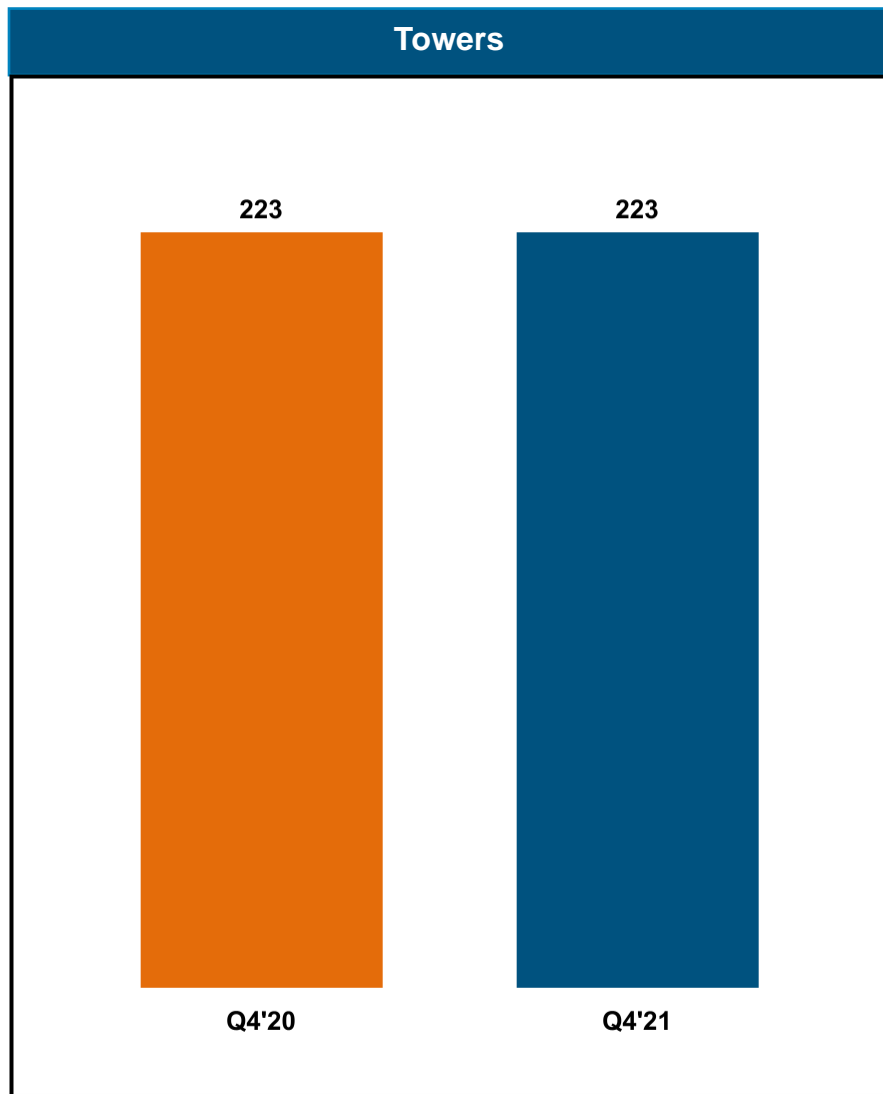
Broadband Data Penetration



Broadband Data Churn



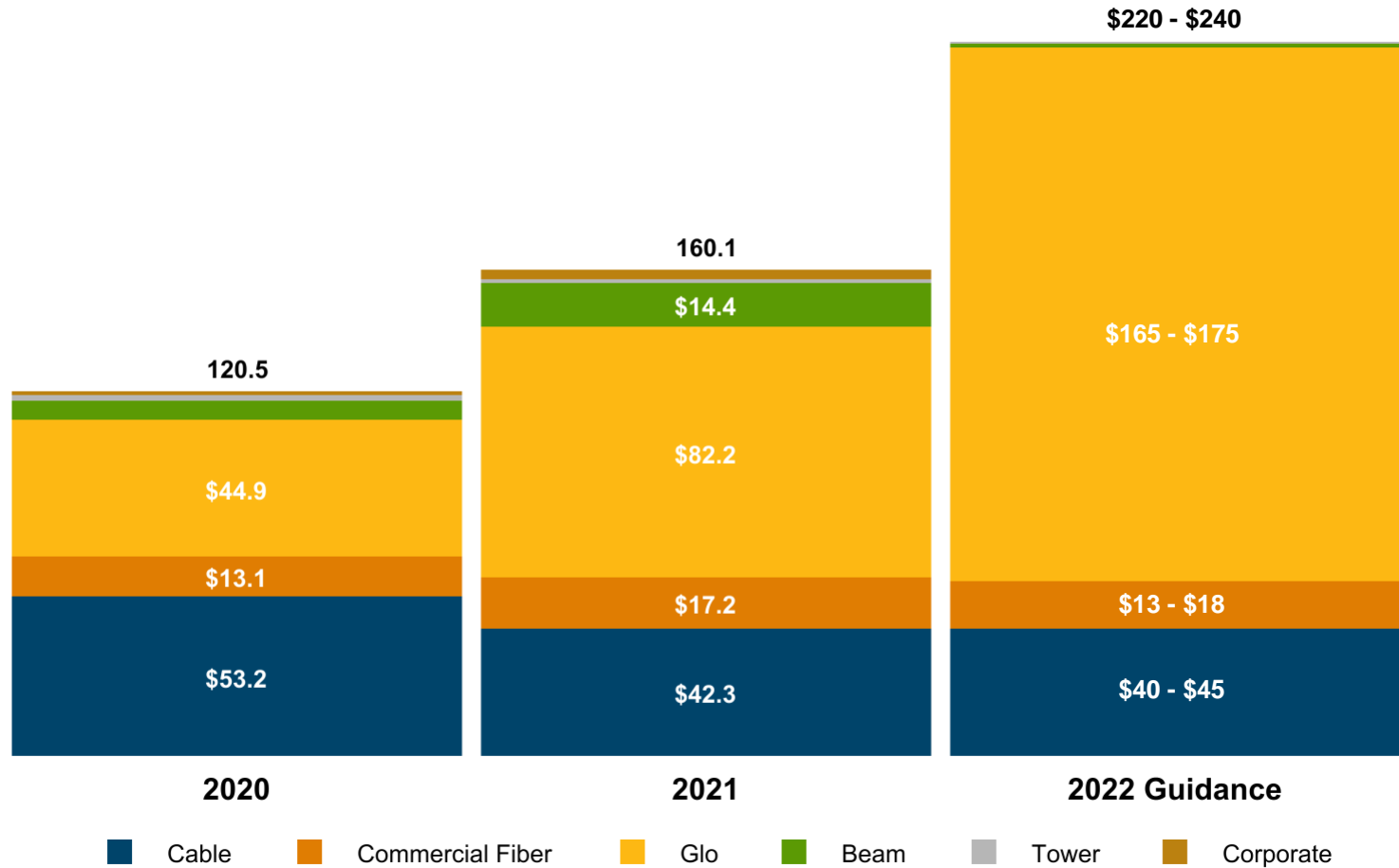
Tower - Metrics



Intercompany leases assumed by T-Mobile 7/1/2021

Capital Expenditures

Capex Spending (\$ in millions)



Q&A

Appendix

Use of Non-GAAP Financial Measures

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 EBITDA by Segment - Full Year Results

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	\$ 83,679	\$ 11,075	\$ (29,028)	\$ 65,726

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	\$ 80,084	\$ 10,729	\$ (35,024)	\$ 55,789

Broadband - Average Revenue per User (ARPU)

	Year Ended December 31,	
	2021	2020
<u>Residential and SMB Revenue:</u>		
Broadband Data	\$ 105,141	\$ 86,715
<i>Incumbent Cable</i>	97,848	85,127
<i>Glo Fiber</i>	6,586	1,576
<i>Beam</i>	707	12
Video	61,856	59,422
Voice	11,692	11,441
Discounts and adjustments	(1,159)	(2,561)
Total Revenue	\$ 177,530	\$ 155,017

Average RGUs:

Broadband Data	111,442	92,730
<i>Incumbent Cable</i>	103,216	90,983
<i>Glo Fiber</i>	7,415	1,665
<i>Beam</i>	811	82
Video	51,368	53,150
Voice	34,068	32,381

ARPU:

Broadband Data	\$ 78.62	\$ 77.93
<i>Incumbent Cable</i>	\$ 79.00	\$ 77.97
<i>Glo Fiber</i>	\$ 74.02	\$ 78.90
<i>Beam</i>	\$ 72.65	\$ 73.17
Video	\$ 100.35	\$ 93.17
Voice	\$ 28.60	\$ 29.44

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

Quarterly Results - Consolidated

Year ended December 31, 2021

(in thousands)

	1Q	2Q	3Q	4Q	Full Year
Income (loss) from continuing operations	\$ 2,945	\$ 1,626	\$ 6,495	\$ (3,137)	\$ 7,929
Depreciation and amortization	13,167	13,299	14,248	14,492	55,206
Other expense (income), net	(1,600)	(1,338)	(138)	(5,589)	(8,665)
Income tax expense (benefit)	885	2,102	(5,506)	825	(1,694)
EBITDA	\$ 15,397	\$ 15,689	\$ 15,099	\$ 6,591	\$ 52,776
Stock-based compensation	642	192	1,119	1,455	3,408
Restructuring charges and transaction related fees	842	71	2,730	(87)	3,556
Impairment expense	99	—	—	5,887	5,986
Adjusted EBITDA	\$ 16,980	\$ 15,952	\$ 18,948	\$ 13,846	\$ 65,726

Year ended December 31, 2020

(in thousands)

	1Q	2Q	3Q	4Q	Full Year
Income (loss) from continuing operations	\$ (55)	\$ (893)	\$ 985	\$ 1,539	\$ 1,576
Depreciation and amortization	12,085	11,930	11,995	12,693	48,703
Other expense (income), net	(749)	(1,271)	(1,083)	(84)	3,187
Income tax expense (benefit)	(844)	(197)	(23)	74	(990)
EBITDA	\$ 10,437	\$ 9,569	\$ 11,874	\$ 14,222	\$ 46,102
Stock-based compensation	2,738	1,430	1,137	602	5,907
Restructuring charges and transaction related fees	910	1,060	1,032	778	3,780
Adjusted EBITDA	\$ 14,085	\$ 12,059	\$ 14,043	\$ 15,602	\$ 55,789

* Reclassification adjustments have been applied to historical financial results so that all periods are comparable. See Note 1 in the Company's 2021 10-K filed with the SEC for more details.

Quarterly Results - Broadband

Year ended December 31, 2021

(in thousands)

	1Q	2Q	3Q	4Q	Full Year
Income (loss) from continuing operations	\$ 10,217	\$ 8,117	\$ 9,340	\$ 897	\$ 28,571
Depreciation and amortization	11,662	11,775	12,211	12,289	47,937
Other expense (income), net	65	63	63	70	261
EBITDA	\$ 21,944	\$ 19,955	\$ 21,614	\$ 13,256	\$ 76,769
Restructuring charges and transaction related fees	220	28	676	—	924
Impairment expense	99	—	—	5,887	5,986
Adjusted EBITDA	\$ 22,263	\$ 19,983	\$ 22,290	\$ 19,143	\$ 83,679

Year ended December 31, 2020

(in thousands)

	1Q	2Q	3Q	4Q	Full Year
Income (loss) from continuing operations	\$ 10,046	\$ 8,726	\$ 9,391	\$ 10,586	\$ 38,749
Depreciation and amortization	10,035	10,307	10,106	10,628	41,076
Other expense (income), net	(18)	41	95	40	158
EBITDA	\$ 20,063	\$ 19,074	\$ 19,592	\$ 21,254	\$ 79,983
Restructuring charges and transaction related fees	—	—	—	101	101
Adjusted EBITDA	\$ 20,063	\$ 19,074	\$ 19,592	\$ 21,355	\$ 80,084

* Reclassification adjustments have been applied to historical financial results so that all periods are comparable. See Note 1 in the Company's 2021 10-K filed with the SEC for more details.