



SHENTEL[®]

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Q2 2021

Earnings Conference Call

July 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:

- ❑ 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

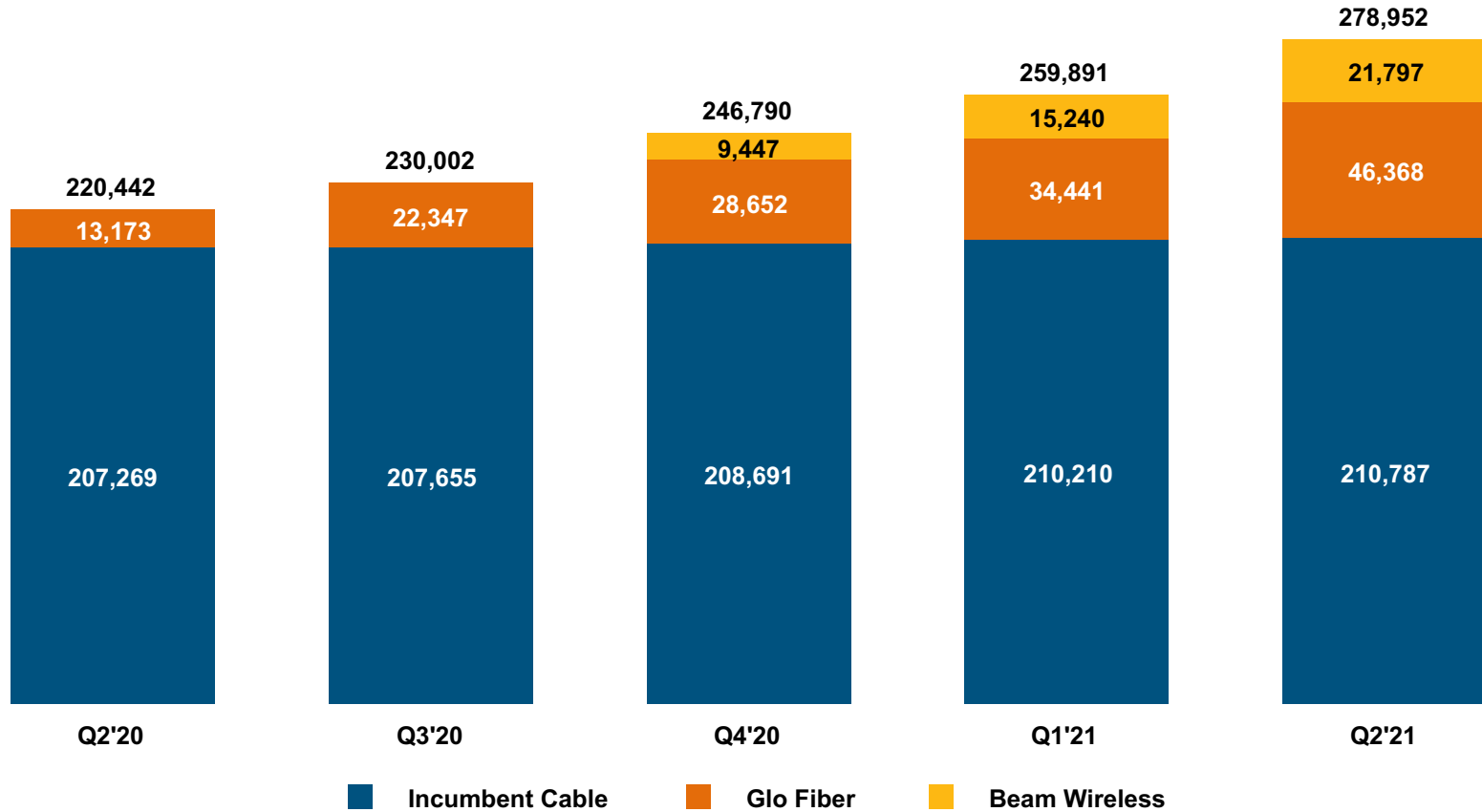
President and CEO

Successful Transformation

- ✓ Completed \$1.94 billion sale of Wireless assets and operations to T-Mobile on July 1
- ✓ Repaid \$681 million of outstanding term loans and terminated credit agreement on July 1
- ✓ Declared \$18.75 per share special dividend payable on August 2
- ✓ Announced a new \$400 million financing on July 1
- ✓ Recognized \$1.7 million in annual run-rate cost savings in continuing operations as we exit the second quarter

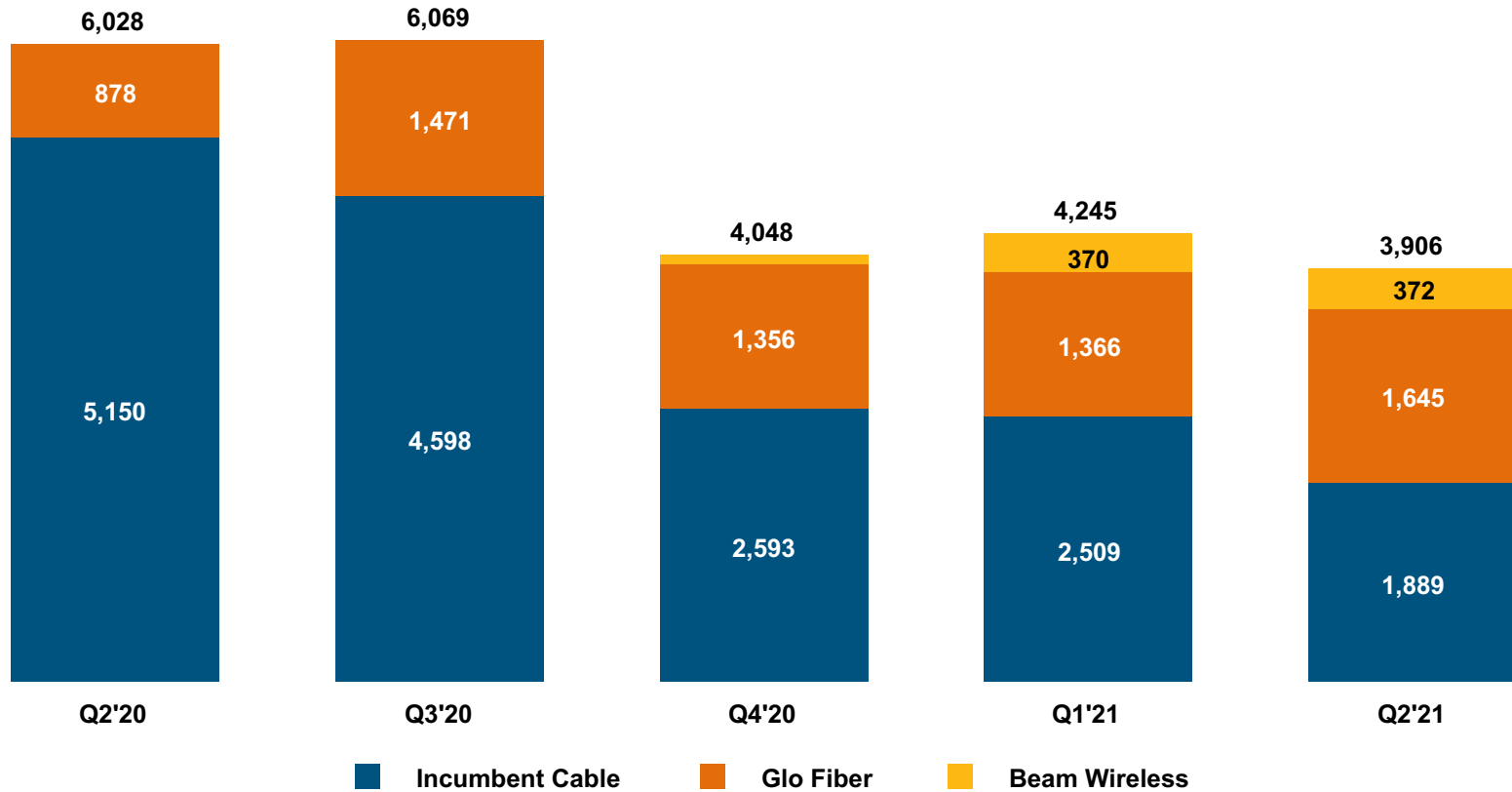
Growing Broadband Network

Broadband Data Homes and Businesses Passed



Solid Broadband Results

Broadband Data Net Additions

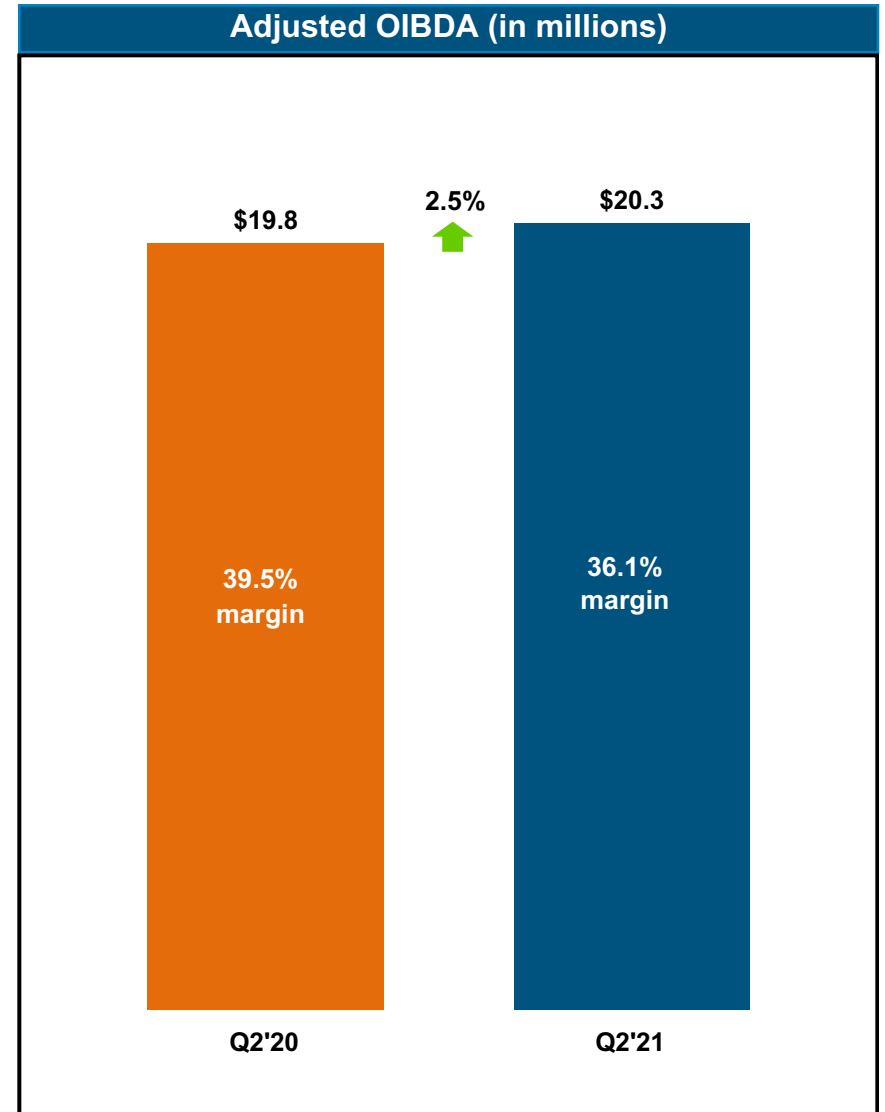
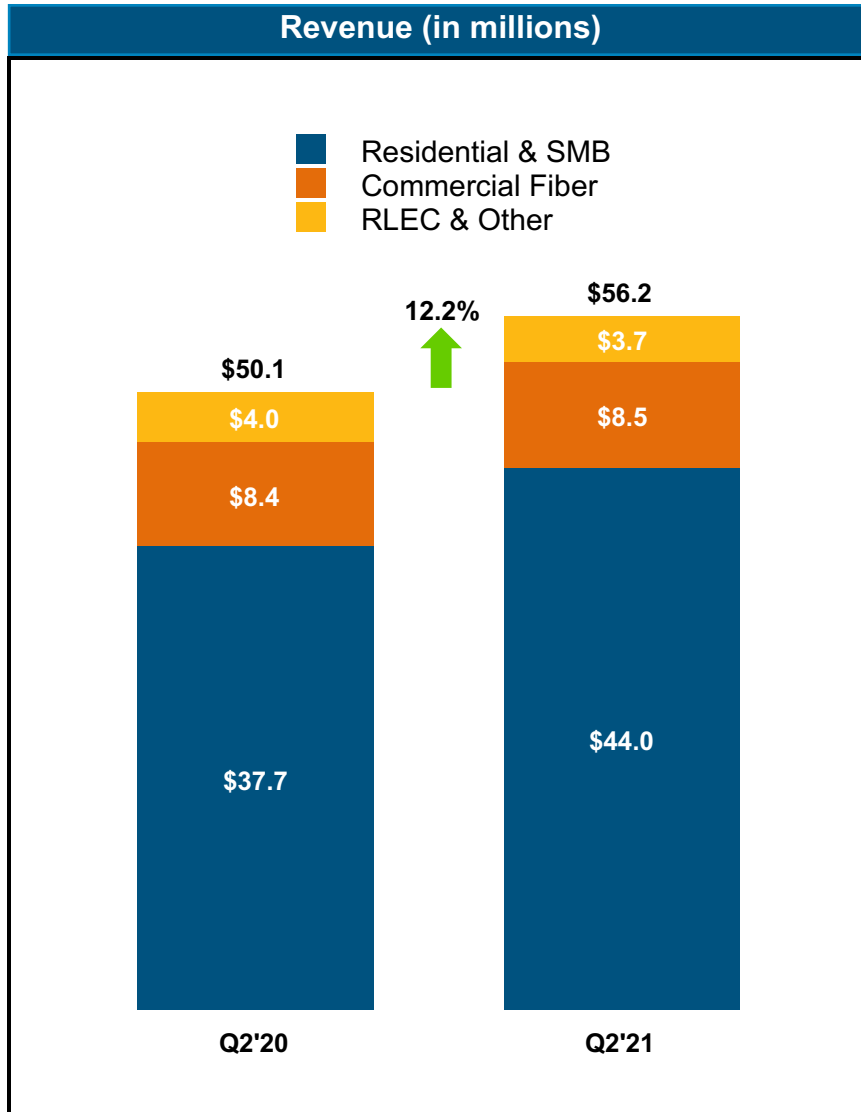




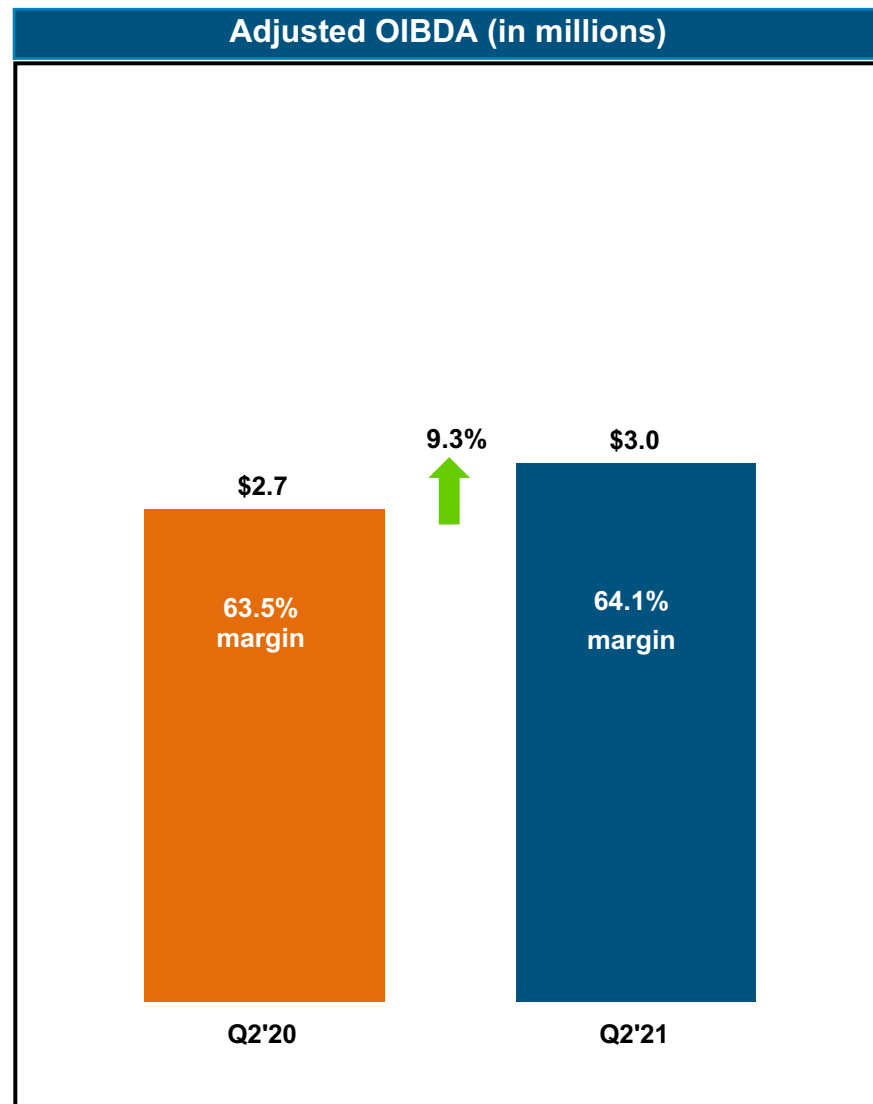
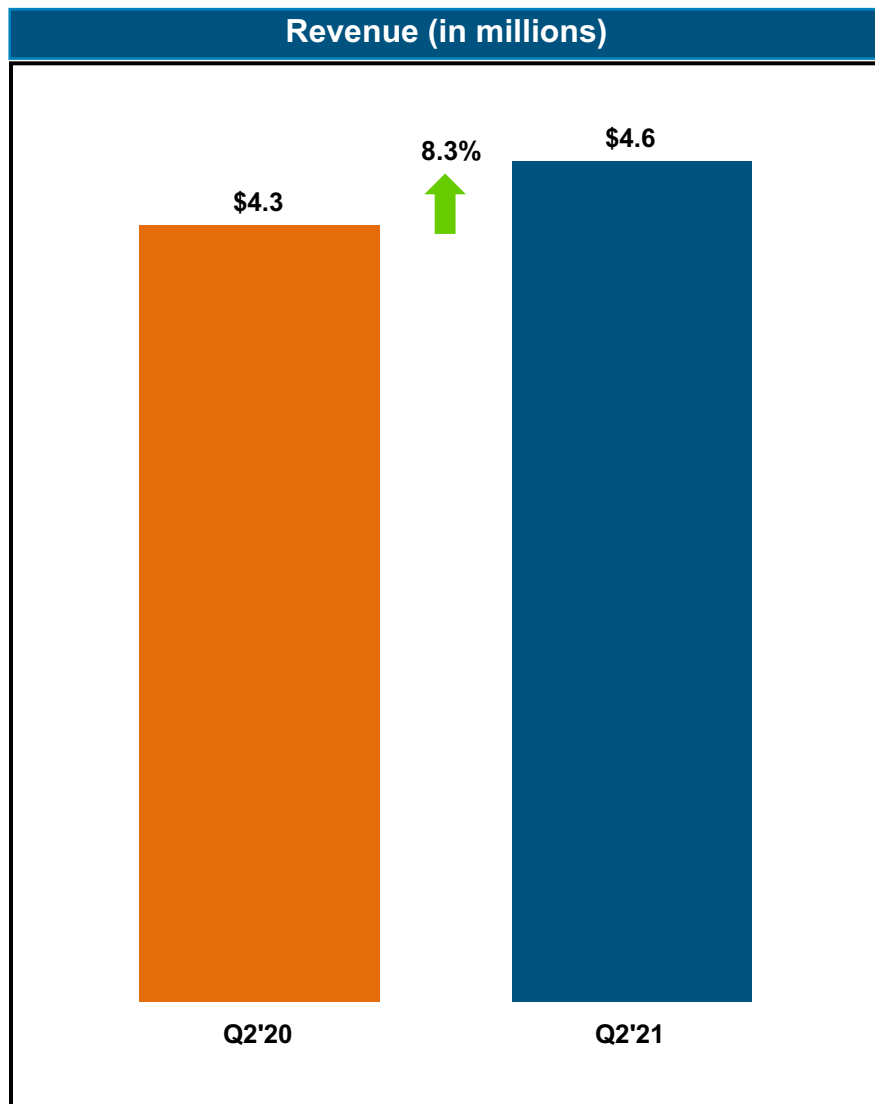
Jim Volk

SVP of Finance and CFO

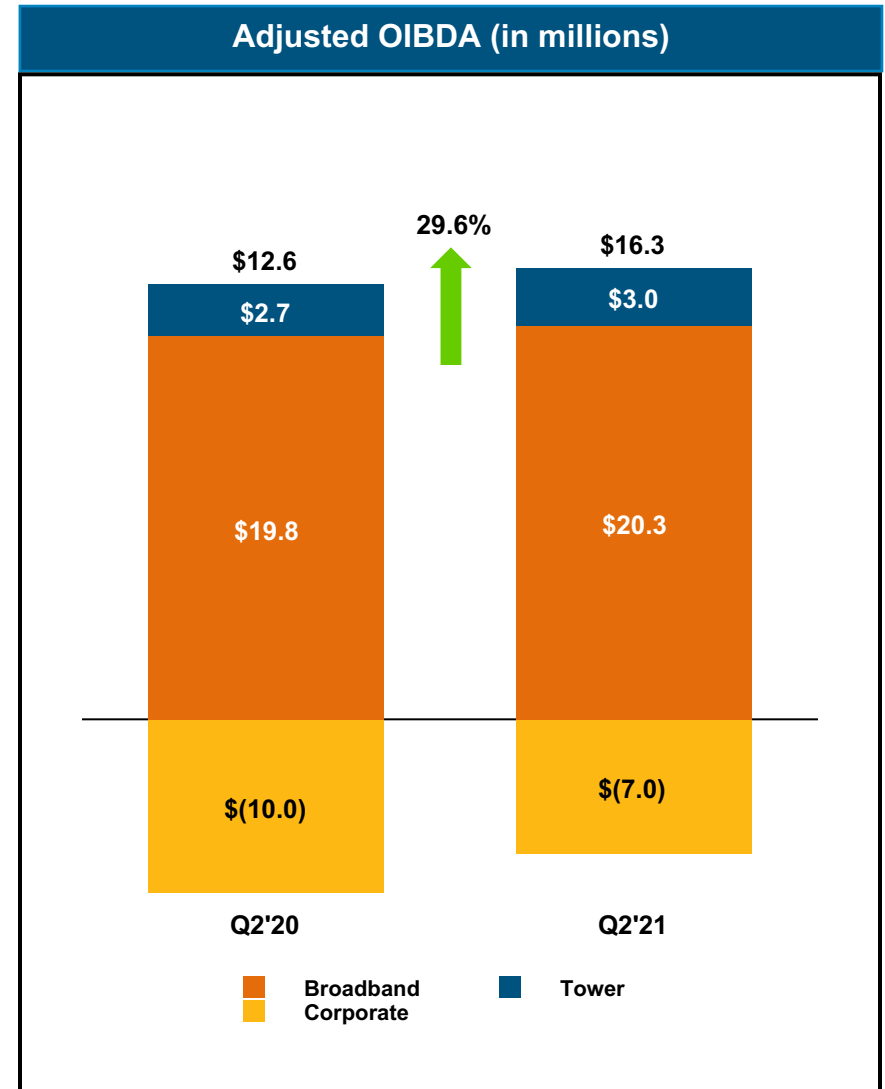
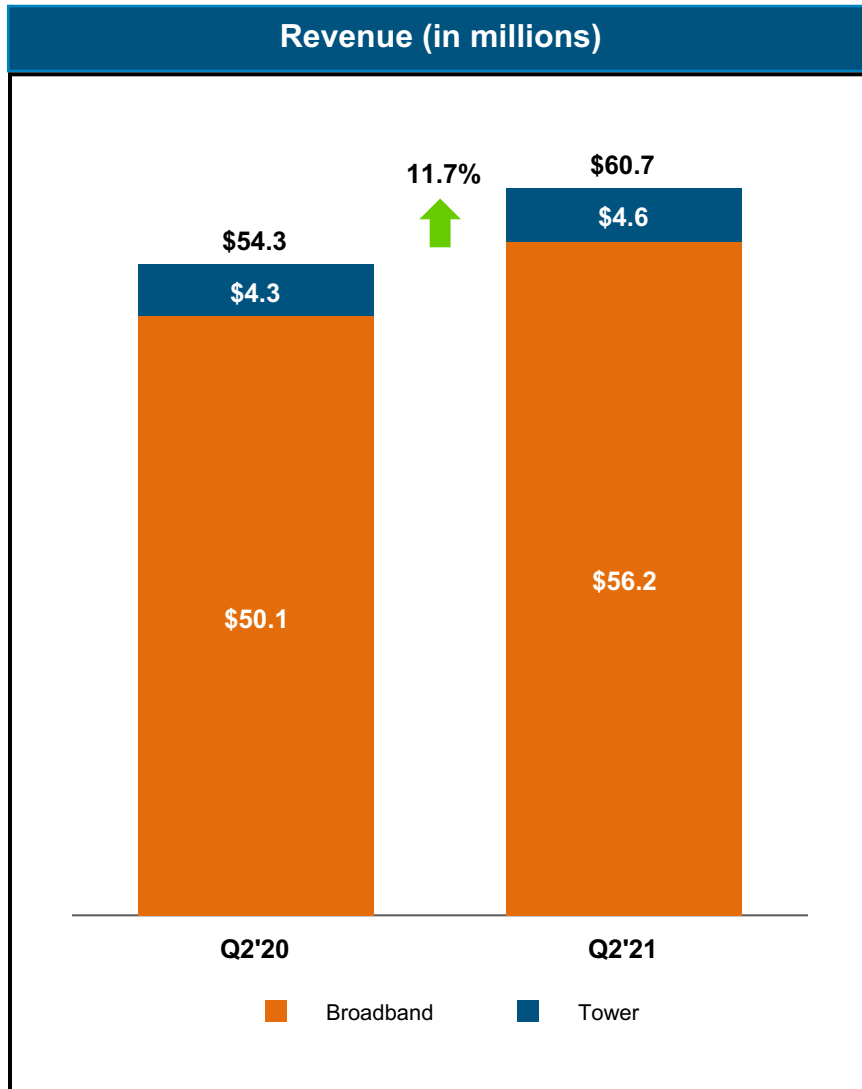
Broadband Highlights - Second Quarter Results



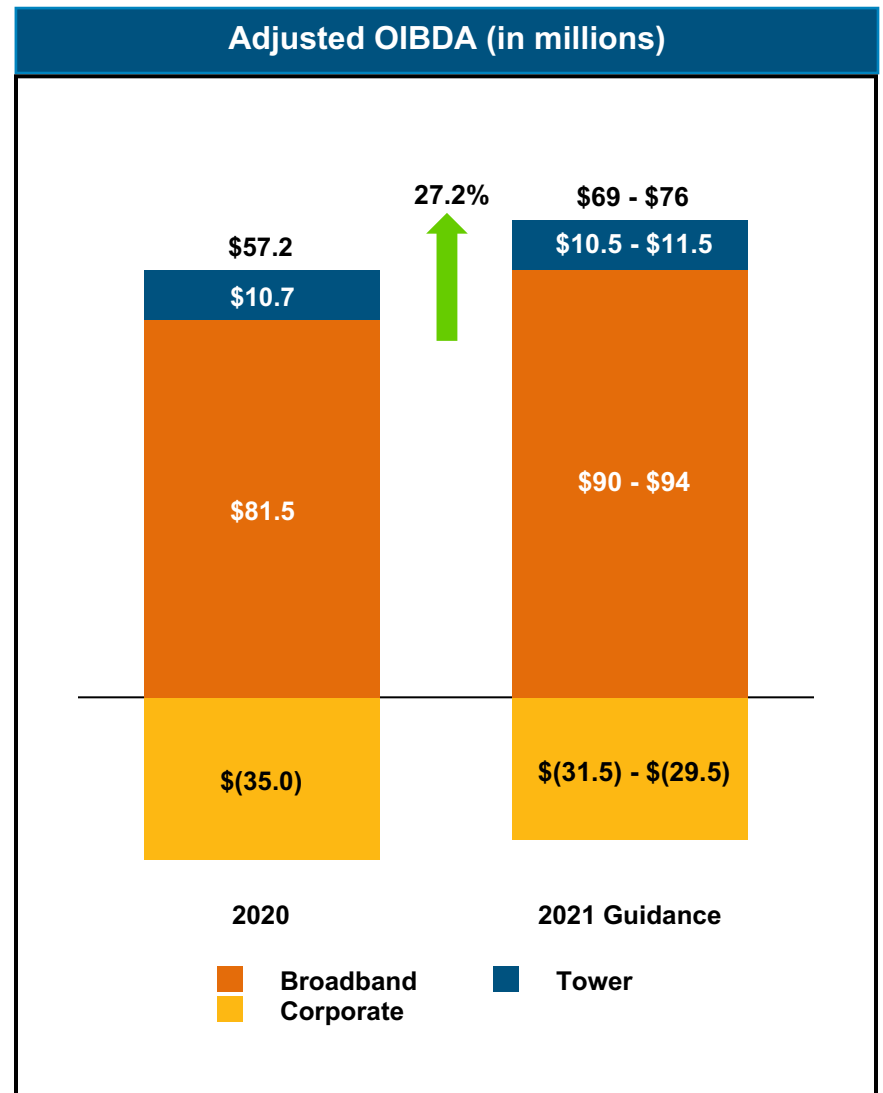
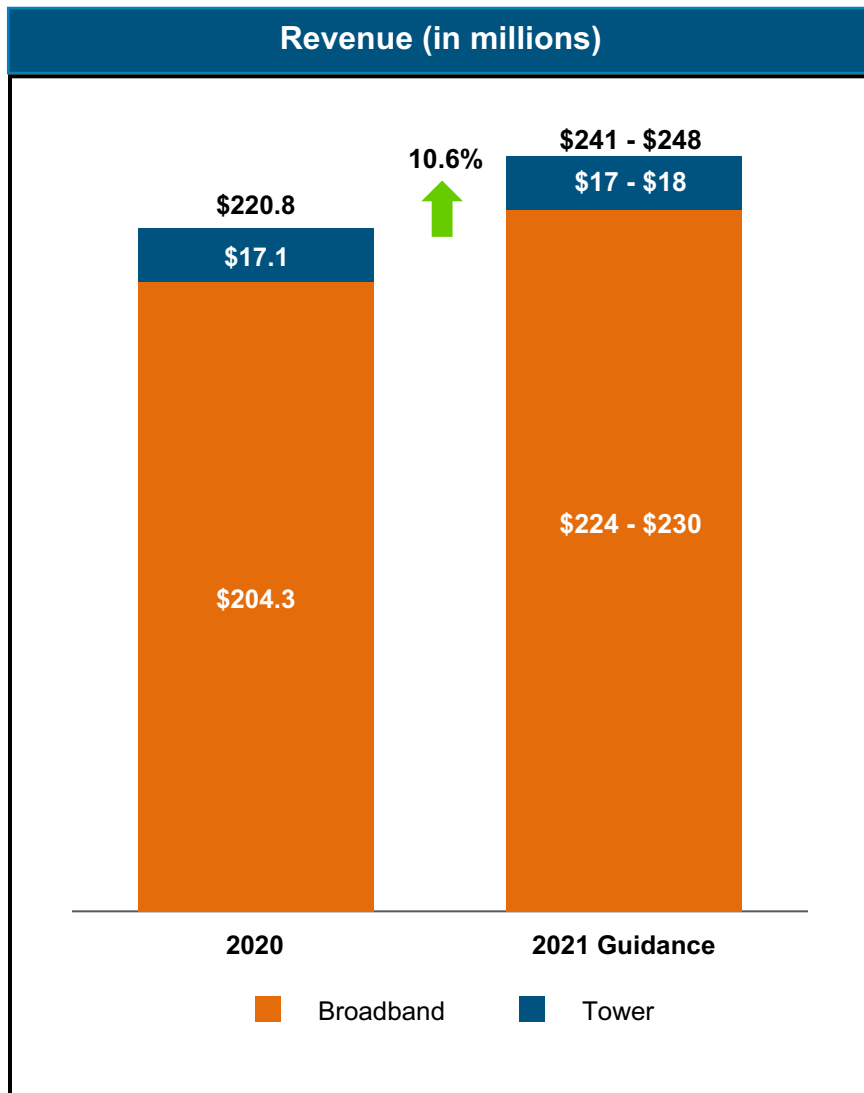
Tower Highlights - Second Quarter Results



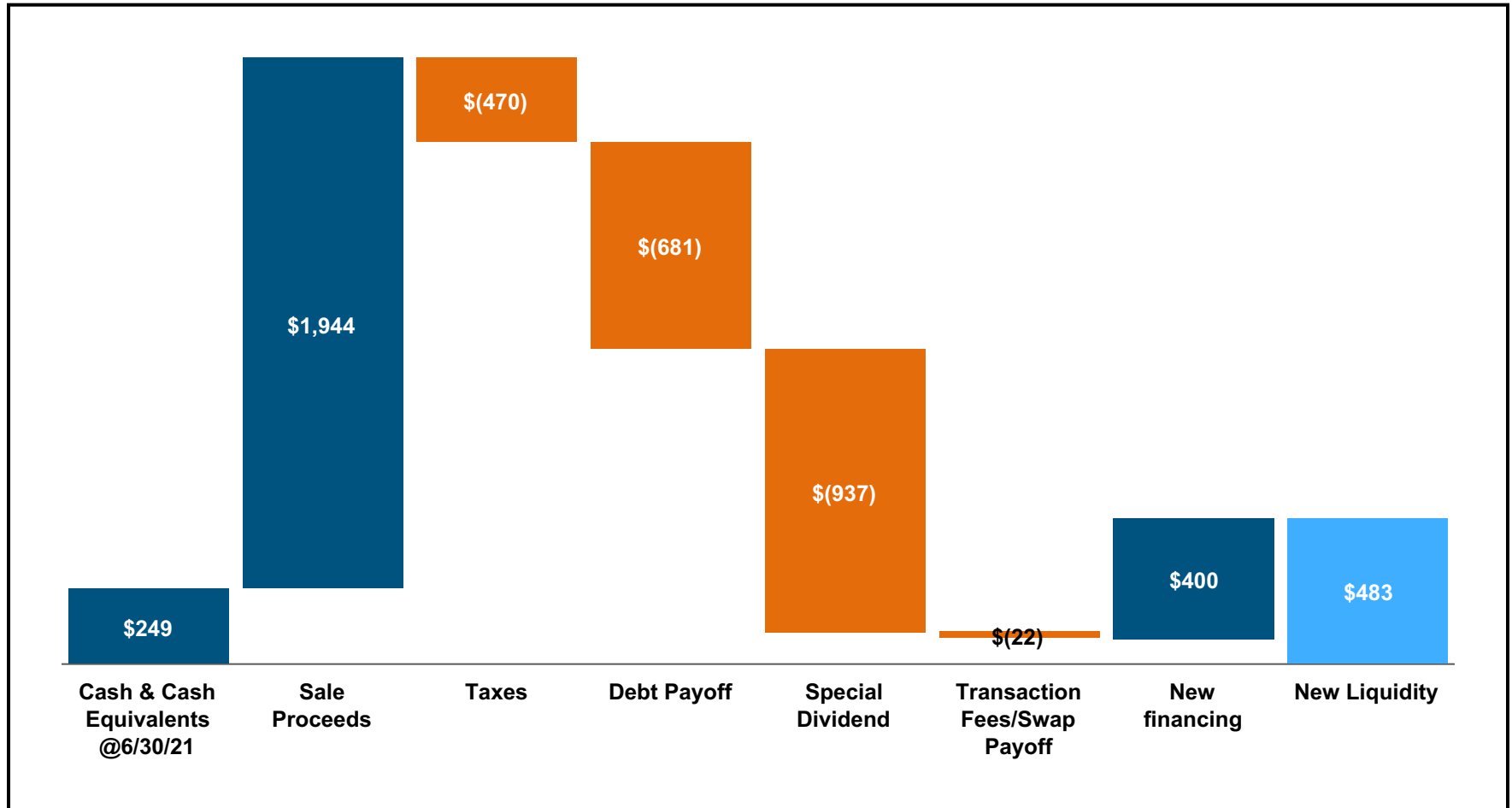
Consolidated Highlights - Second Quarter Results



Consolidated 2021 Outlook



Pro Forma Liquidity Changes (\$ in millions)



New Financing Terms




CREDIT FACILITIES:	<ul style="list-style-type: none"> • \$400 million Senior Secured Credit Facilities ("Credit Facilities") <ul style="list-style-type: none"> ◦ \$100 million Revolving Credit Facility ("Revolver") ◦ \$150 million Delayed Draw Term Loan A-1 ("DDTL A-1") ◦ \$150 million Delayed Draw Term Loan A-2 ("DDTL A-2") 																																							
INCREMENTAL TERM LOANS:	<ul style="list-style-type: none"> • The sum of (a) the greater of (i) \$75,000,000 and (ii) 100% of pro forma Consolidated EBITDA plus (b) an additional unlimited amount subject to maximum pro forma Total Net Leverage Ratio of 4.00:1.00 																																							
TERM LOAN DRAW PERIOD:	<ul style="list-style-type: none"> • Advances: Up to 10 (pro rata between the DDTL A-1 and DDTL A-2) and in a minimum amount \geq \$20 million • Availability: 24 months 																																							
MATURITY	<ul style="list-style-type: none"> • Revolver & DDTL A-1: 5 years from Closing • DDTL A-2: 7 years from Closing 																																							
PRICING:	<table border="1"> <thead> <tr> <th rowspan="2">Level</th> <th>Total Leverage Ratio</th> <th colspan="2">LIBOR Margin</th> <th>Commitment Fee</th> </tr> <tr> <th></th> <th>Revolver & DDTL A-1 (bps)</th> <th>DDTL A-2 (bps)</th> <th>Revolver & Term Loans (bps)</th> </tr> </thead> <tbody> <tr> <td>VI</td> <td>$\geq 3.75x$</td> <td>275</td> <td>300</td> <td>37.5</td> </tr> <tr> <td>V</td> <td>$< 3.75x, \geq 3.25x$</td> <td>225</td> <td>250</td> <td>37.5</td> </tr> <tr> <td>IV</td> <td>$< 3.25x, \geq 2.75x$</td> <td>200</td> <td>225</td> <td>25</td> </tr> <tr> <td>III</td> <td>$< 2.75x, \geq 2.25x$</td> <td>175</td> <td>200</td> <td>20</td> </tr> <tr> <td>II</td> <td>$< 2.25x, \geq 1.75x$</td> <td>150</td> <td>175</td> <td>20</td> </tr> <tr> <td>I</td> <td>$< 1.75x$</td> <td>150</td> <td>150</td> <td>20</td> </tr> </tbody> </table>	Level	Total Leverage Ratio	LIBOR Margin		Commitment Fee		Revolver & DDTL A-1 (bps)	DDTL A-2 (bps)	Revolver & Term Loans (bps)	VI	$\geq 3.75x$	275	300	37.5	V	$< 3.75x, \geq 3.25x$	225	250	37.5	IV	$< 3.25x, \geq 2.75x$	200	225	25	III	$< 2.75x, \geq 2.25x$	175	200	20	II	$< 2.25x, \geq 1.75x$	150	175	20	I	$< 1.75x$	150	150	20
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I	$< 1.75x$	150	150	20																																				
FINANCIAL COVENANTS	<ul style="list-style-type: none"> • Maximum Total Net Leverage Ratio: <ul style="list-style-type: none"> ◦ 4.25x ◦ 4.75x (During Increased Leverage Period following a Qualifying Acquisition) • Minimum Debt Service Coverage Ratio: 2.00x 																																							



Ed McKay

EVP and COO

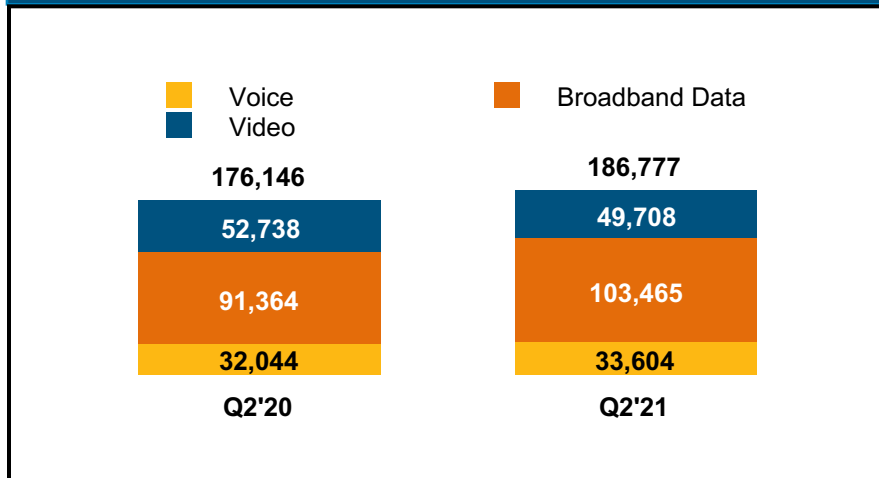
Unique network platform with high growth potential

		 Always connected to you		
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	211,000 / 215,000	46,000 / 300,000	22,000 / 215,000
	Competition	>95% low-speed Telco DSL or no competition	Incumbent cable operator and low-speed DSL telco operator; no fiber competition	< 25 Mbps telco DSL, unlicensed fixed-wireless, or unserved
Shentel offering and KPIs	Primary network technology	DOCSIS 3.1 HFC network	XGS-PON FTTH network	Fixed wireless network with a 5G-ready core using 2.5 and 3.5GHz licensed spectrum and massive MIMO technology
	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*	\$1,000 - \$1,400	\$250 - \$350
	Terminal penetration	55%	38%	31%

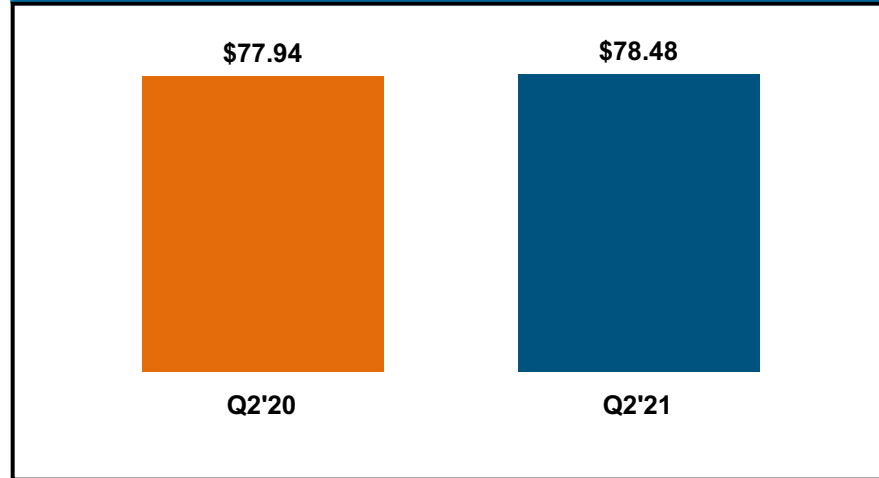
*Incumbent cable only

Broadband - Incumbent Cable Metrics

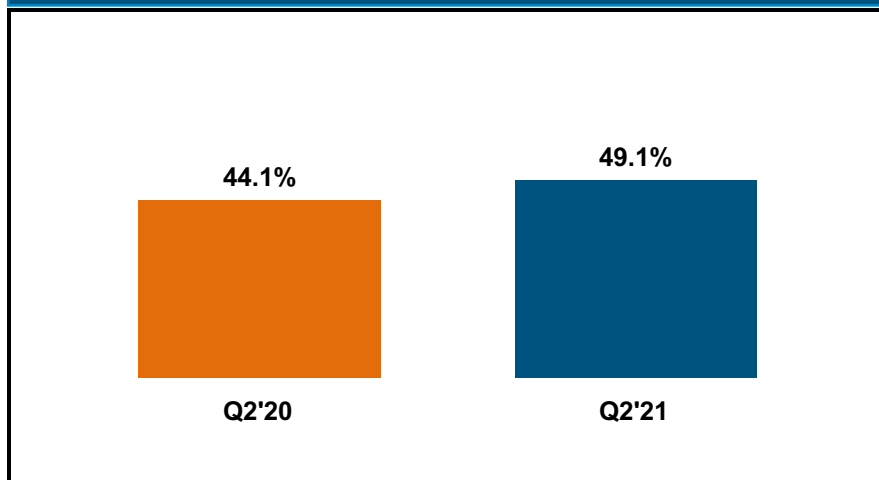
Revenue Generating Units (RGU)



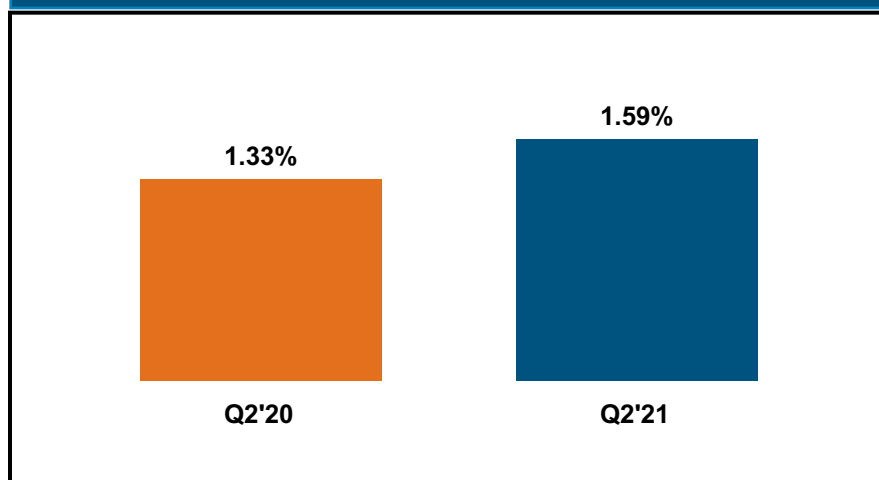
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

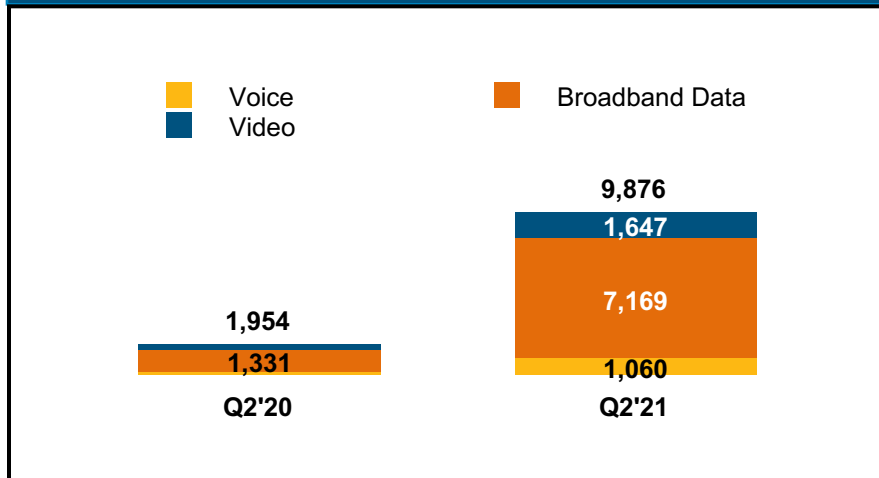


Broadband Data Churn

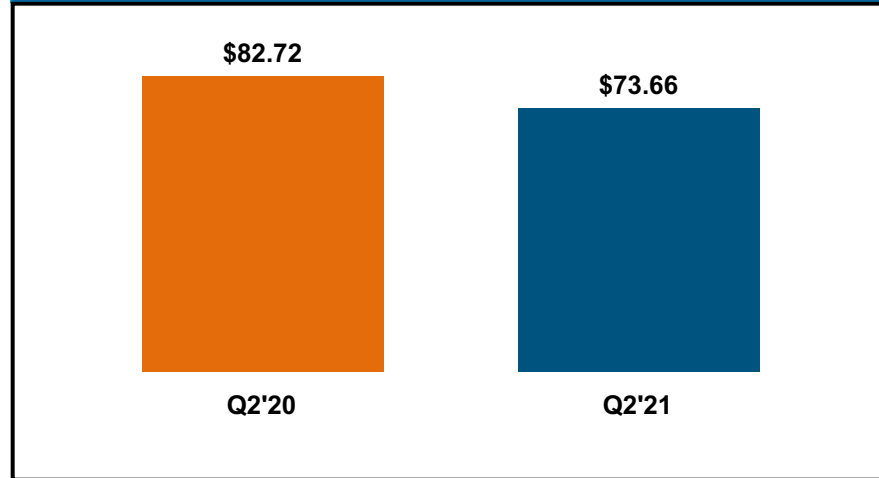


Broadband - Glo Fiber Metrics

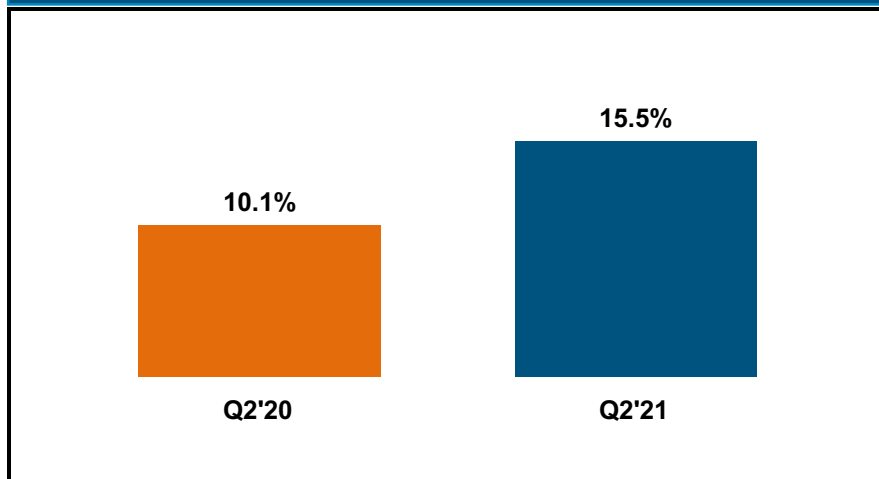
Revenue Generating Units (RGU)



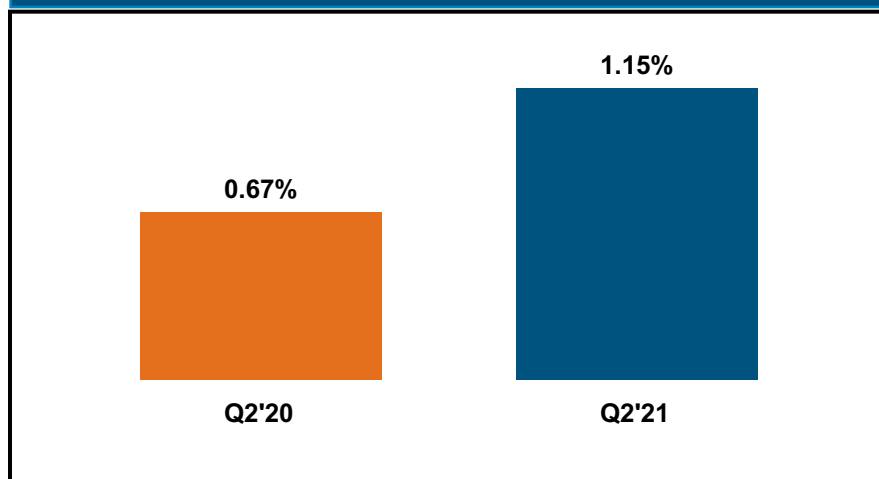
Broadband Data Average Revenue per User (ARPU)




Broadband Data Penetration



Broadband Data Churn



Glo Fiber Market Update

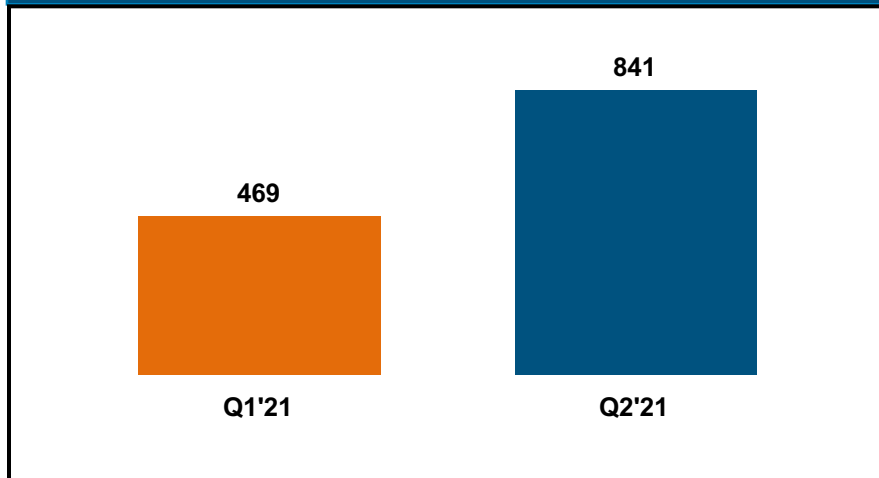
	Passings Released to Sales	Target Passings*	Launch Date	Penetration as of 6/30/2021
Harrisonburg VA	10.4k	13.3k	October 2019	22.4%
Staunton VA	10.4k	10.6k	February 2020	20.2%
Front Royal VA	5.1k	5.2k	March 2020	16.1%
Winchester VA**	8.5k	23.9k	March 2020	13.2%
Salem VA	4.4k	8.7k	January 2021	10.1%
Roanoke VA	3.8k	57k	April 2021	5.0%
Lynchburg VA	3.9k	19.3k	April 2021	4.9%
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		15.1k	1H22	
Total	46.4k	203.5k		15.5%

*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.

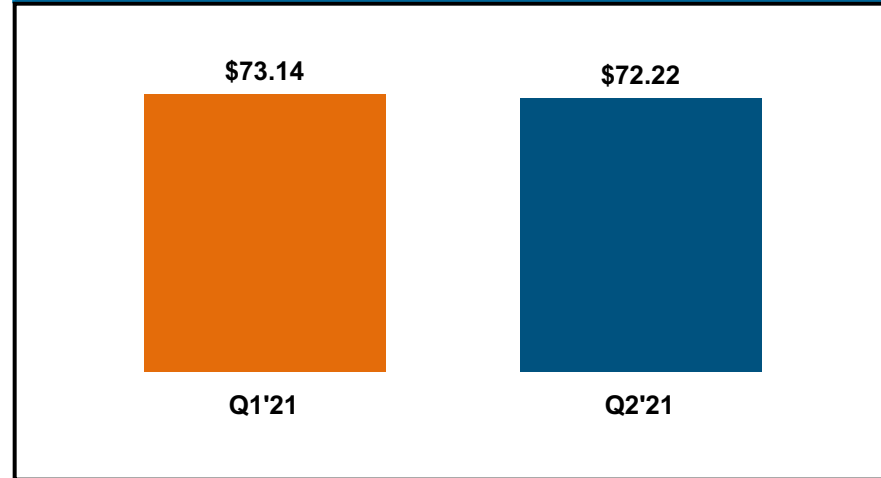
** Includes Frederick County VA

Broadband - Beam Broadband Data Metrics

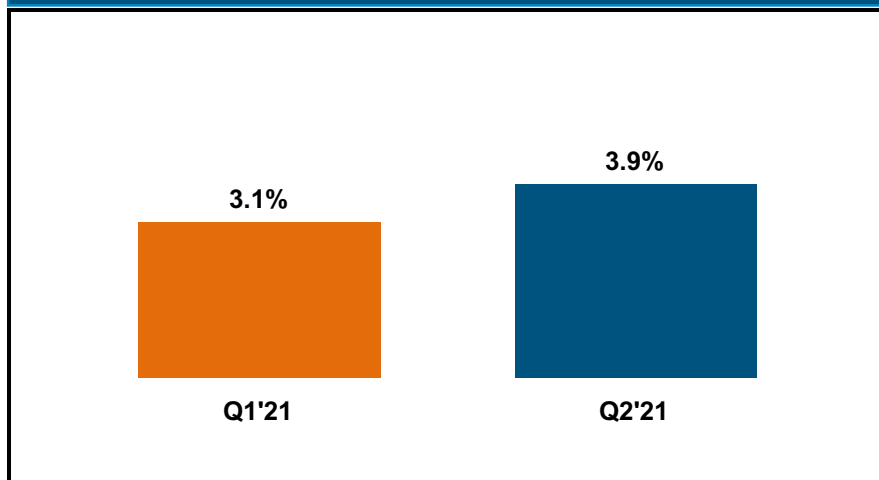
Revenue Generating Units (RGU)



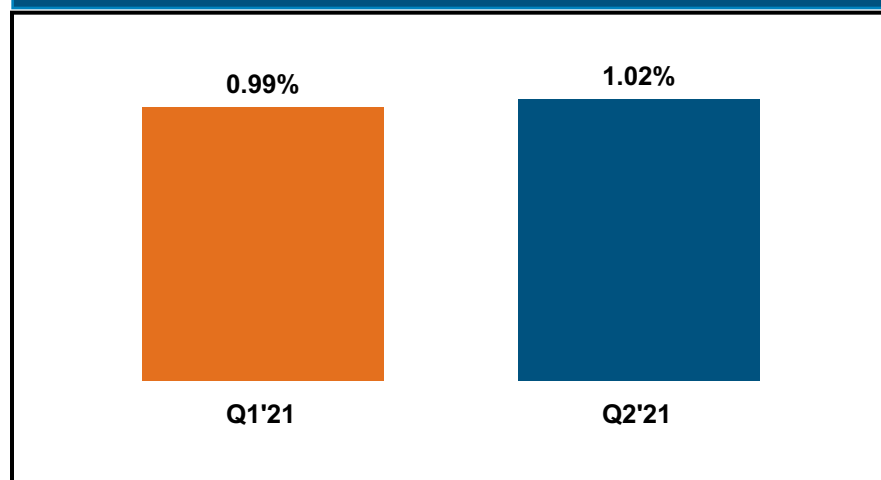
Average Revenue per User (ARPU)



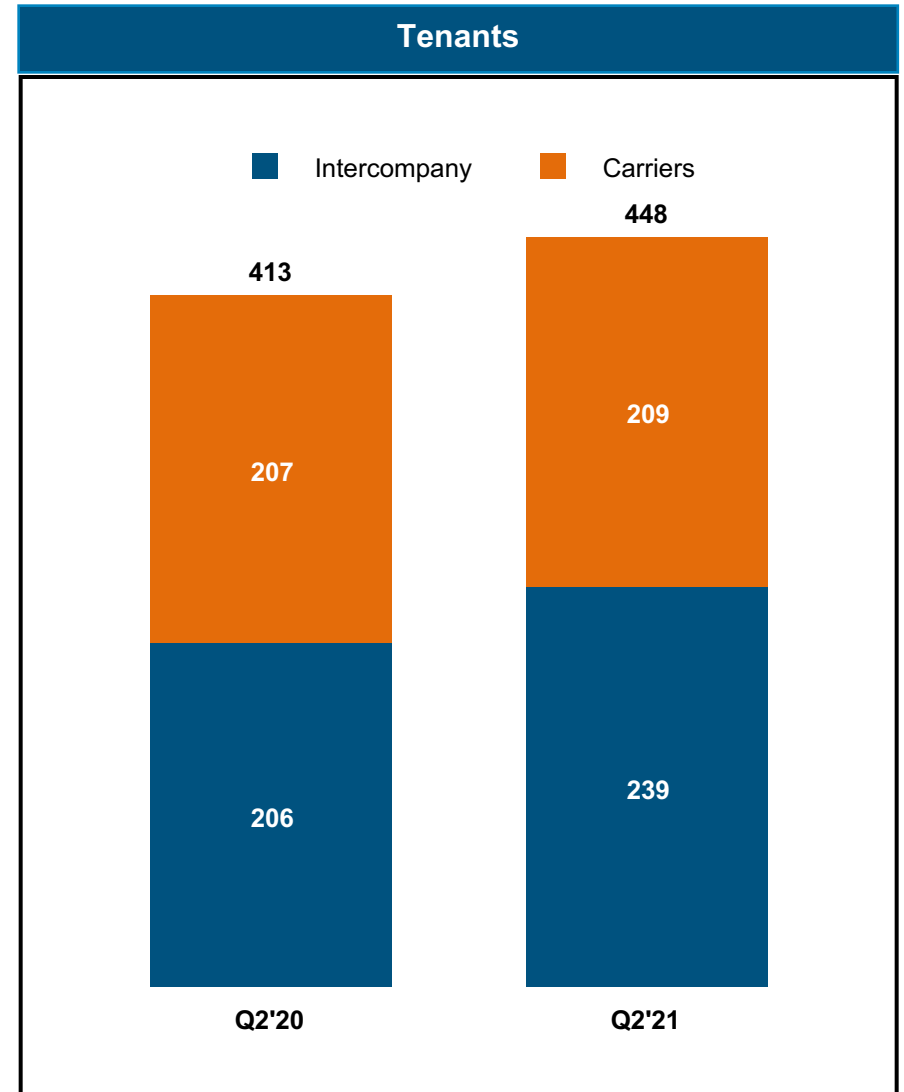
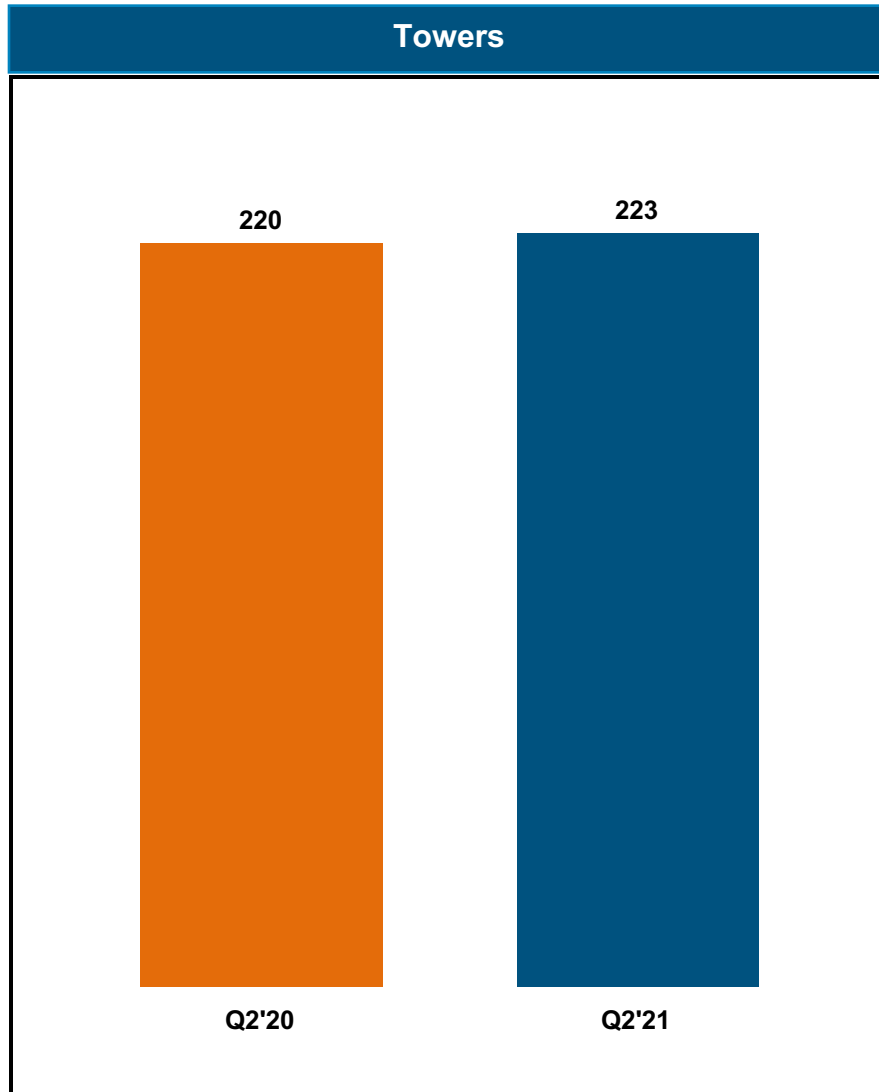
Penetration



Churn



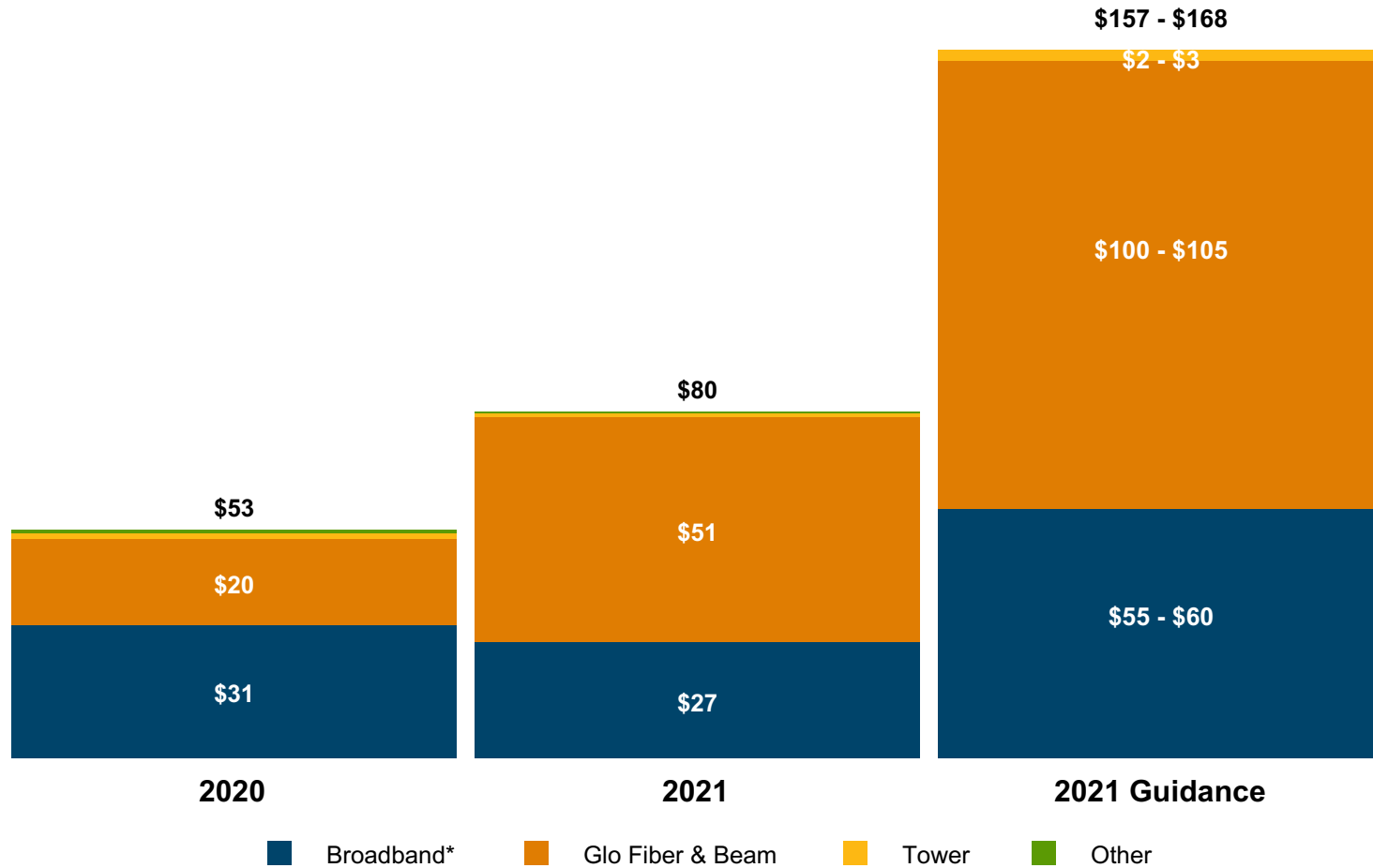
Tower - Metrics



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 OIBDA by Segment - Quarterly Results

Three Months Ended June 30, 2021

<i>(in thousands)</i>	Broadband	Tower	Corporate & Other	Consolidated
Operating income (loss) from continuing operations	\$ 8,492	\$ 2,509	\$ (8,298)	\$ 2,703
Depreciation	11,577	449	1,075	13,101
Amortization	198	—	—	198
OIBDA	20,267	2,958	(7,223)	16,002
Stock compensation expense	—	—	192	192
Deal advisory fees	1	—	27	28
Restructuring expense	27	—	16	43
Adjusted OIBDA	\$ 20,295	\$ 2,958	\$ (6,988)	\$ 16,265
Total revenue	\$ 56,227	\$ 4,614	(141)	\$ 60,700
Adjusted OIBDA margin	36.1 %	64.1 %	N/A	26.8 %

Three Months Ended June 30, 2020

<i>(in thousands)</i>	Broadband	Tower	Corporate & Other	Consolidated
Operating income (loss) from continuing operations	\$ 9,500	\$ 2,229	\$ (13,596)	\$ (1,867)
Depreciation	10,140	477	1,146	11,763
Amortization	167	—	—	167
OIBDA	19,807	2,706	(12,450)	10,063
Stock compensation expense	—	—	1,430	1,430
Deal advisory fees	—	—	1,060	1,060
Adjusted OIBDA	\$ 19,807	\$ 2,706	\$ (9,960)	\$ 12,553
Total revenue	\$ 50,133	\$ 4,259	(56)	\$ 54,336
Adjusted OIBDA margin	39.5 %	63.5 %	N/A	23.1 %

Broadband - Average Revenue per User (ARPU)

	For the second quarter ended,			
	2020		2021	
Residential & SMB Revenue (000's)				
Broadband	\$	21,003	\$	25,714
Incumbent Cable	\$	20,802	\$	24,177
Glo Fiber	\$	201	\$	1,394
Beam Wireless	\$	—	\$	143
Video	\$	14,938	\$	15,611
Voice	\$	2,808	\$	2,893
Average Revenue Generating Units				
Broadband		89,780		109,656
Incumbent Cable		88,970		102,688
Glo Fiber		810		6,308
Beam Wireless		—		660
Video		53,111		51,715
Voice		32,039		33,993
Average Revenue per User (ARPU)*				
Broadband	\$	77.98	\$	78.17
Incumbent Cable	\$	77.94	\$	78.48
Glo Fiber	\$	82.72	\$	73.66
Beam Wireless	\$	—	\$	72.22
Video	\$	93.75	\$	100.62
Voice	\$	29.21	\$	28.37