

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported): April 20, 2021



**Shenandoah Telecommunications Company**  
(Exact name of registrant as specified in its charter)

Virginia  
(State or other jurisdiction of incorporation)

0-9881  
(Commission File Number)

54-1162807  
(IRS Employer Identification No.)

500 Shentel Way P.O. Box 459 Edinburg, VA 22824  
(Address of principal executive offices) (Zip Code)

(540) 984-4141  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock (No Par Value)	SHEN	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

(A) On April 20, 2021, Shenandoah Telecommunications Company (the “Company”) held its annual shareholder meeting. At the meeting, three directors, as set forth below, were appointed to three-year terms and two proposals, one to ratify the appointment of KPMG LLP as the Company’s independent registered public accounting firm for 2021, the second, in a non-binding vote, to approve named executive officer compensation, were approved by shareholders voting by proxy or in person.

(B) The final voting results with respect to each proposal voted upon at the annual shareholder meeting are set forth below.

**Proposal 1:**

The Company’s shareholders elected each of the three nominees to the Board of Directors for a three-year term by a plurality of votes cast:

	Votes For	Votes Against	Abstentions	Broker Non-Votes
Thomas A. Beckett	31,849,806	2,315,843	140,128	4,896,918
Richard L. Koontz	33,095,098	1,073,058	137,621	4,896,918
Leigh Ann Schultz	19,676,142	14,484,065	145,570	4,896,918

**Proposal 2:**

The Company’s shareholders ratified the appointment of KPMG LLP, as set forth below:

Votes For	Votes Against	Abstentions	Broker Non-Votes
38,644,735	500,175	57,785	-

**Proposal 3:**

The Company’s shareholders approved by advisory vote the compensation paid to the Company’s named executive officers, as set forth below:

Votes For	Votes Against	Abstentions	Broker Non-Votes
33,615,192	390,332	300,253	4,896,918

**Item 7.01. Regulation FD Disclosure**

The following information is furnished pursuant to Regulation FD: On April 20, 2021, Shenandoah Telecommunications Company held its annual shareholder meeting. The materials attached hereto as Exhibit 99.1 and Exhibit 99.2 were presented at the meeting. The presentations are also available on the Company’s website.

These materials may contain forward-looking statements about Shenandoah Telecommunications Company regarding, among other things, 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 or similar words, or by discussions of strategy or risks and uncertainties. Shenandoah Telecommunications Company 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.

**Item 9.01. Financial Statements and Exhibits.****(d) Exhibits**

The following exhibit is furnished with this Current Report on Form 8-K.

<a href="#">99.1*</a>	<a href="#">Annual Meeting Presentation Slides</a>
<a href="#">99.2*</a>	<a href="#">Annual Meeting Scripts</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Furnished herewith

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: April 22, 2021

SHENANDOAH TELECOMMUNICATIONS COMPANY

/s/ James J. Volk

James J. Volk

Senior Vice President - Finance and Chief Financial Officer



# 2021 Shareholder Meeting

April 20, 2021

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## Board of Directors

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<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation</b>
Thomas A. Beckett	53	2018	SVP, GC and Secretary of American Public Education, Inc.
Tracy Fitzsimmons	54	2005	President of Shenandoah University
John W. Flora	66	2008	Attorney and Shareholder of Flora Pettit PC
Christopher E. French	63	1996	President and CEO of Shentel
Richard L. Koontz, Jr.	63	2006	Vice President of Holtzman Oil Corporation
Dale S. Lam	58	2004	President of Strategent Financial, LLC
Kenneth L. Quaglio	62	2017	CEO and President of Celerity IT, LLC
Leigh Ann Schultz	47	2016	CFO of Harvest Host Inc.

# Proposals

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**1. Election of directors**

To elect Thomas A. Beckett, Richard L. Koontz, Jr. and Leigh Ann Schultz for a three-year term that will expire at the annual meeting of shareholders in 2024

**2. Ratification of auditors**

To ratify the Audit Committee's selection of KPMG LLP as the Company's independent registered public accounting firm for 2021

**3. Advisory vote to approve executive compensation**

To approve, in a non-binding vote, the Company's named executive officer compensation

# Safe Harbor Statement

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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
- ❑ Business combination between T-Mobile and Sprint could cause significant volatility in the value of our stock and adversely affect the operating and financial results of our Wireless segment; 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.



## 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 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.

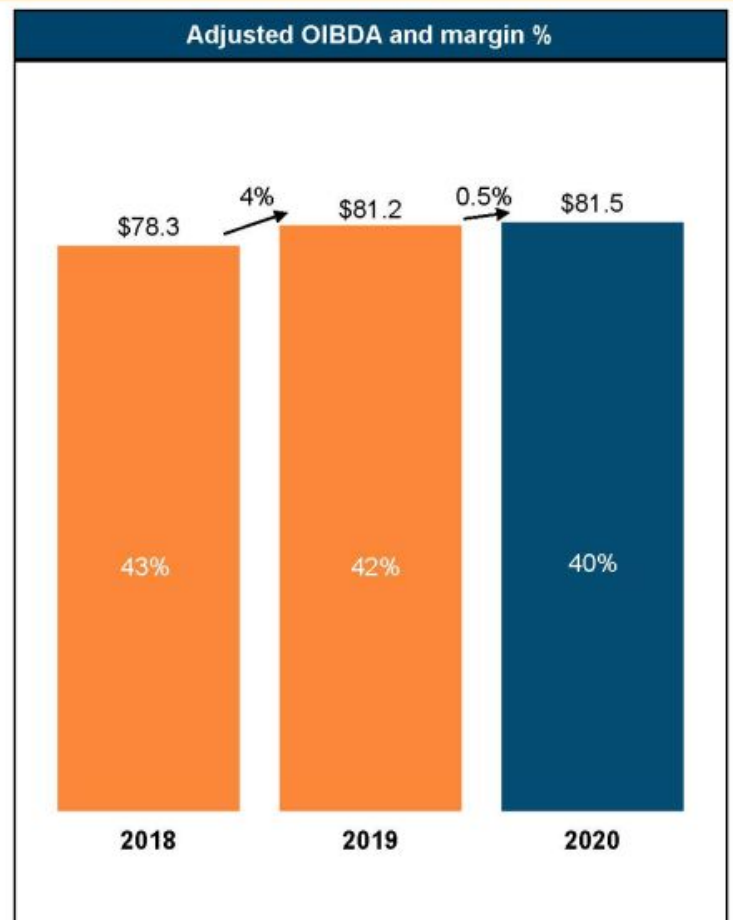
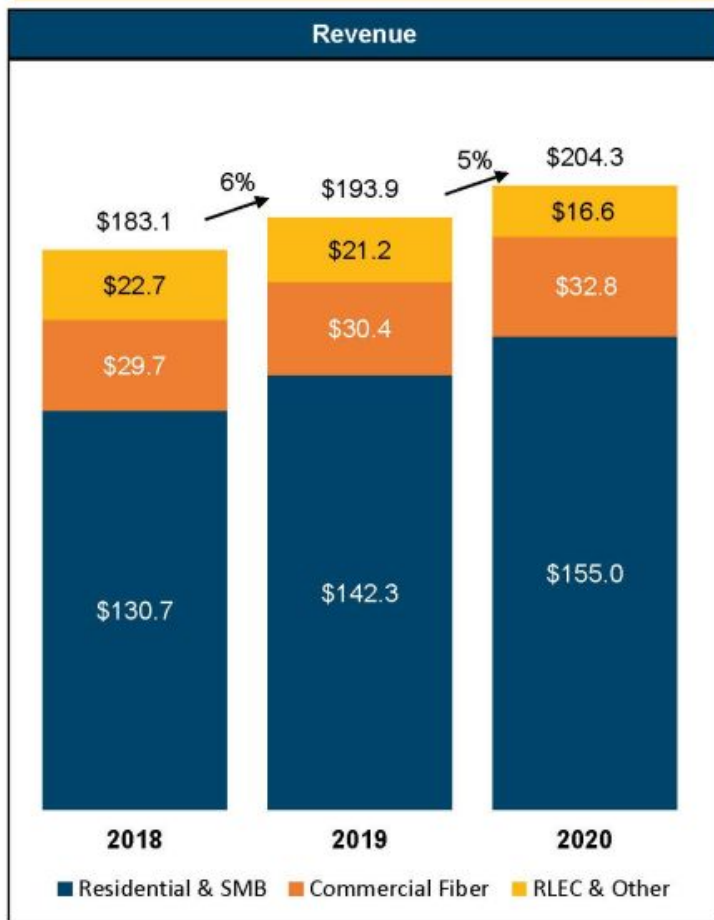




**Jim Volk**  
**Sr. VP of Finance and CFO**

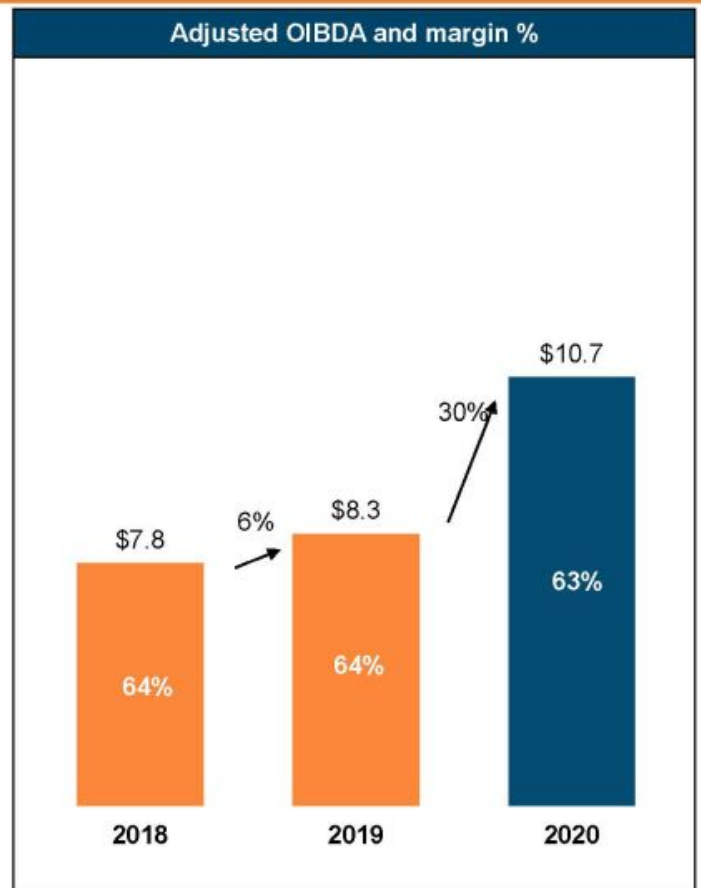
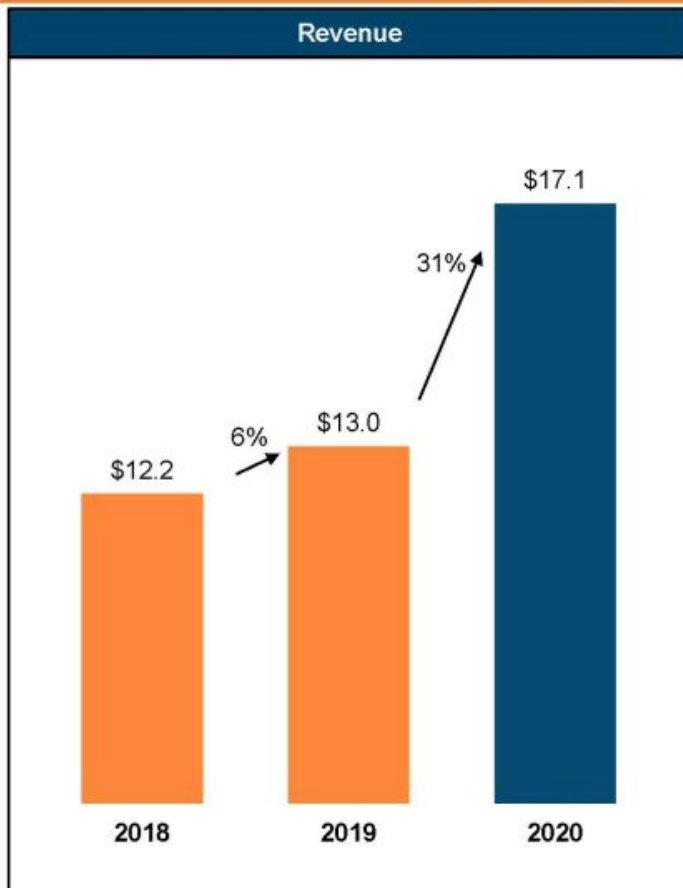
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# Broadband Financial Highlights (\$ in millions)



See Appendix for reconciliation of Adjusted OIBDA to Operating Income

# Tower Financial Highlights

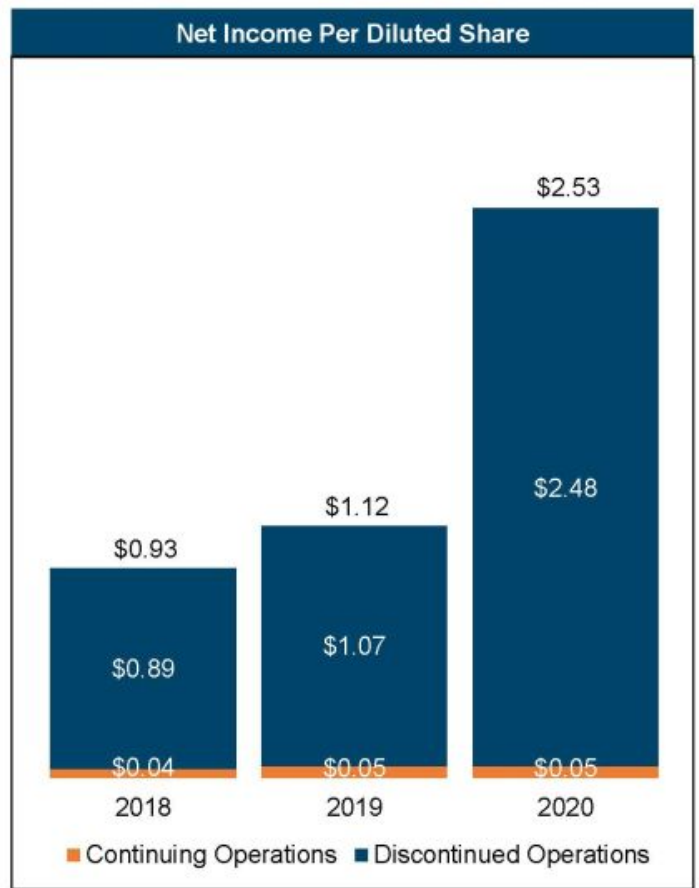
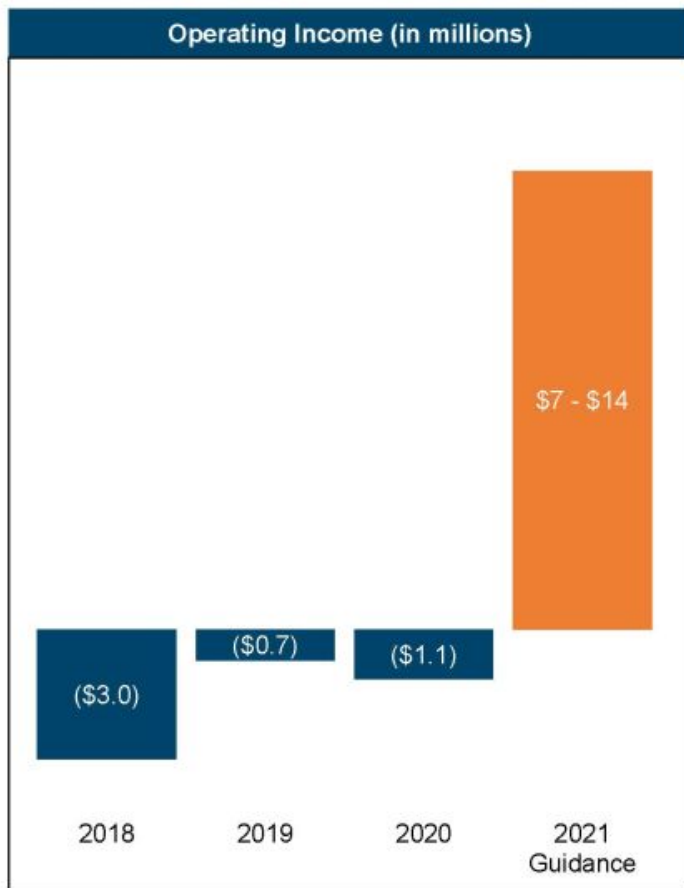


See Appendix for reconciliation of Adjusted OIBDA to Operating Income.

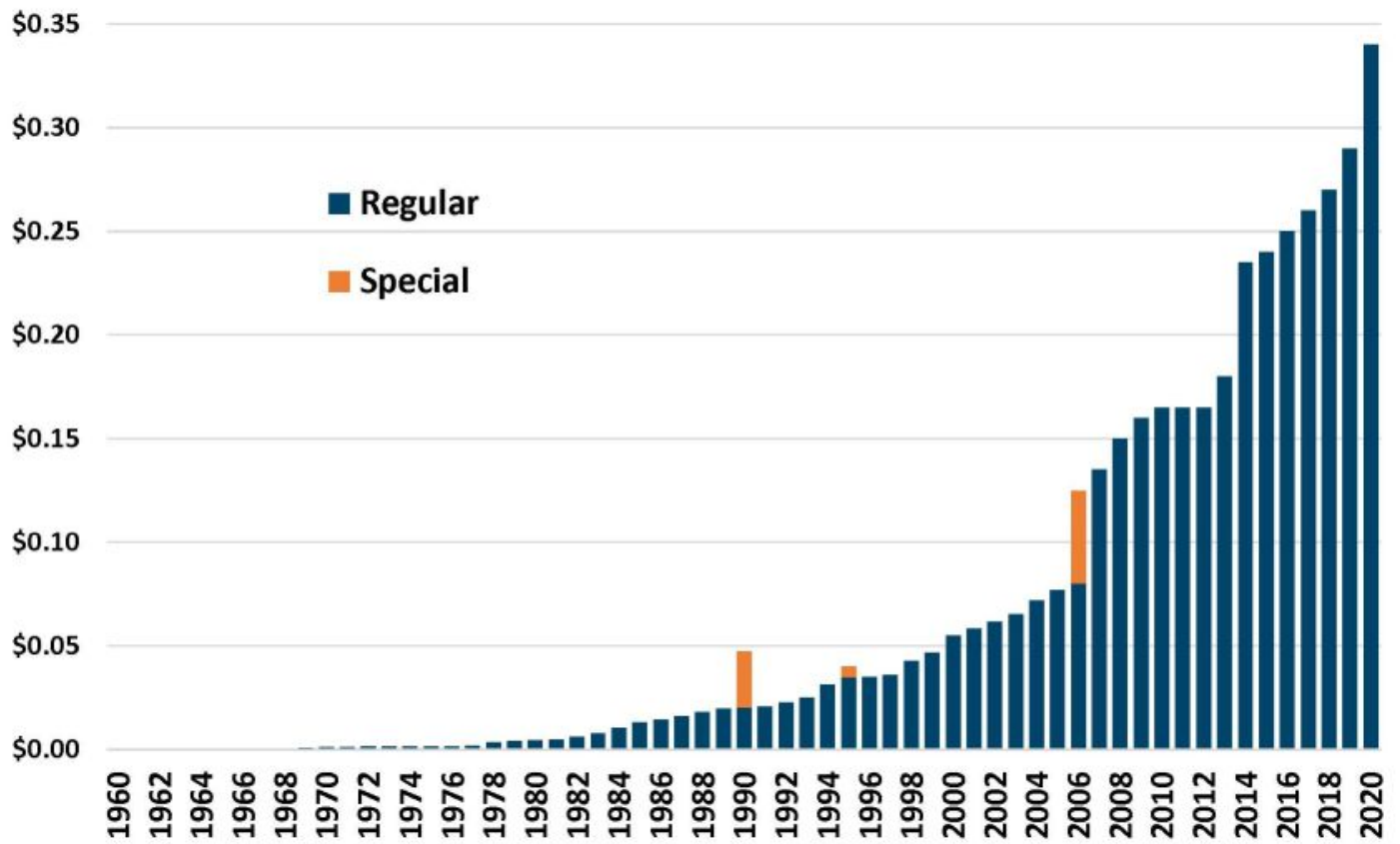
# Consolidated Financial Highlights



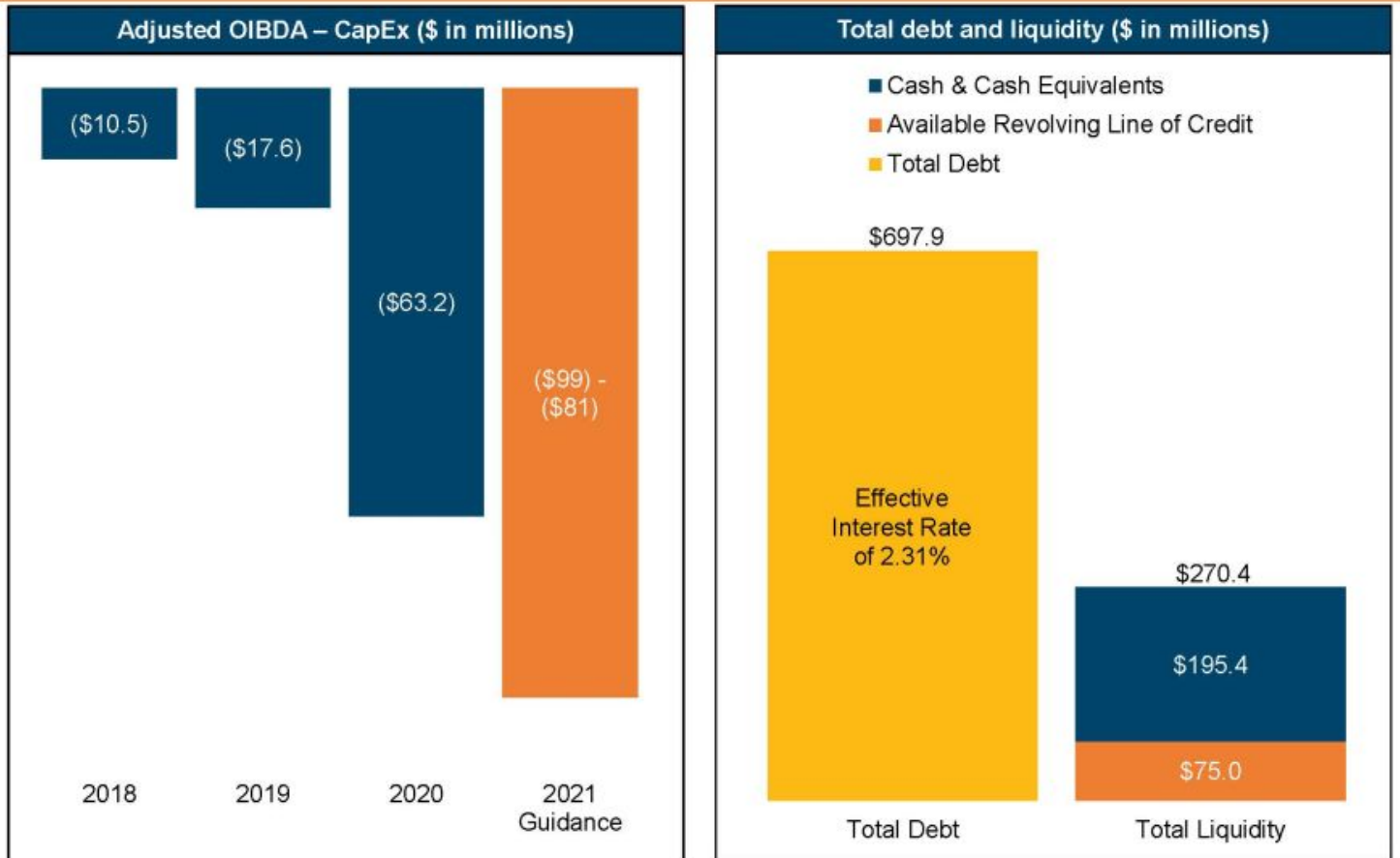
# Consolidated Financial Highlights



# Cash Dividend History (per Share, Split Adjusted)

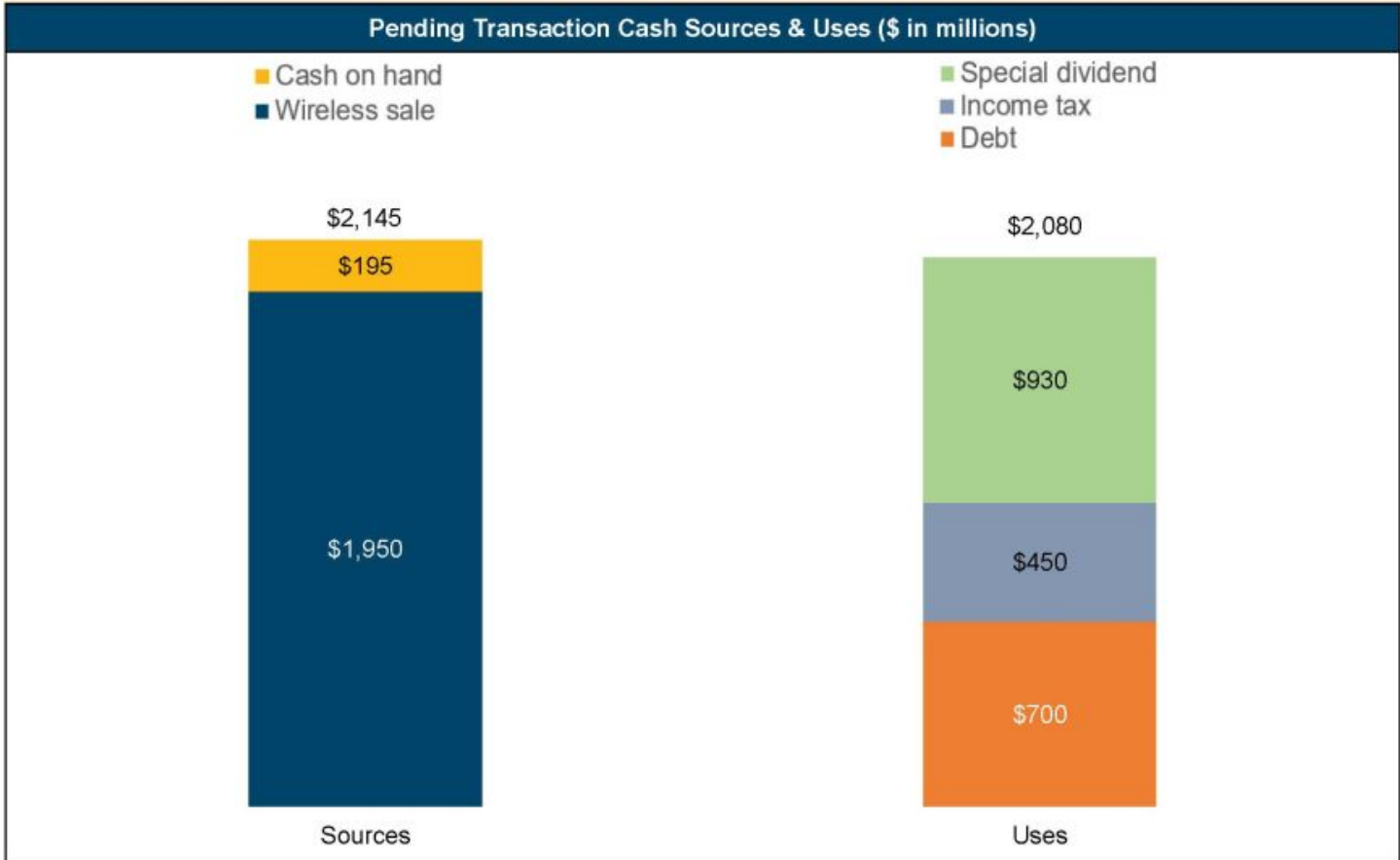


## Adjusted OIBDA – CapEx and Debt & Liquidity





# Pending Transaction Sources and Uses

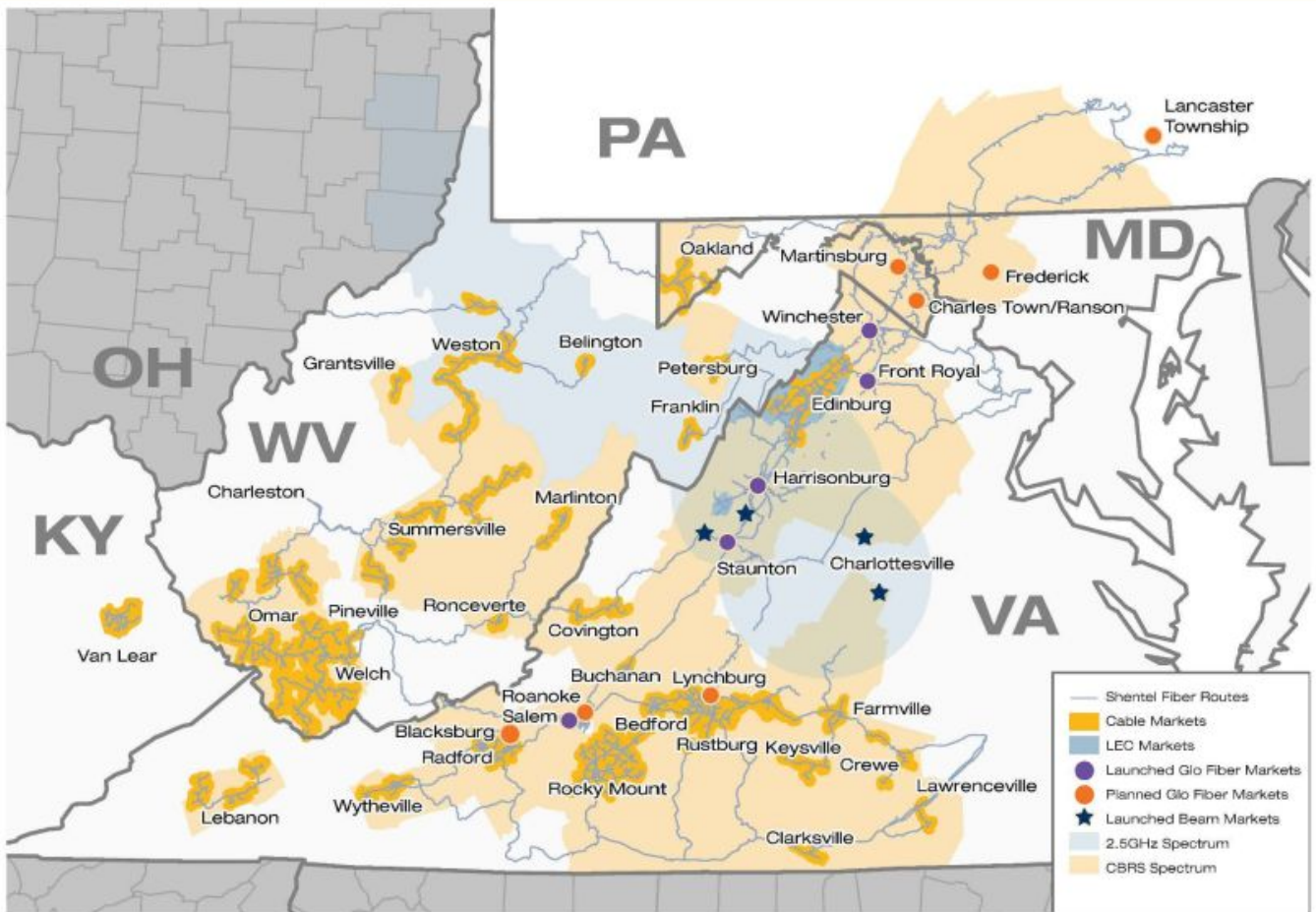




**Dave Heimbach**  
**EVP and COO**












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# Cable, Fiber, & Fixed Wireless Networks

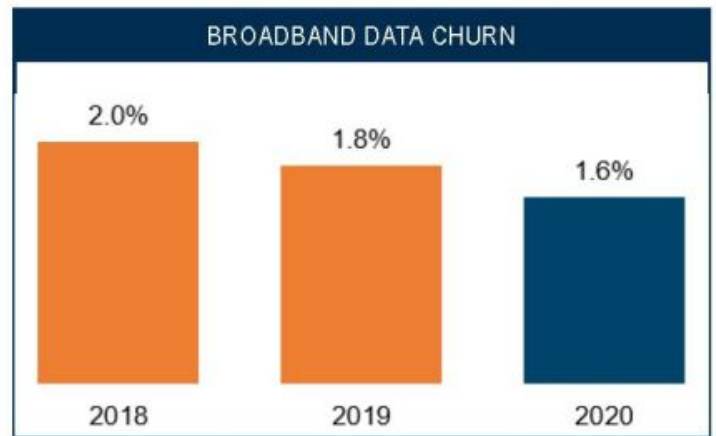
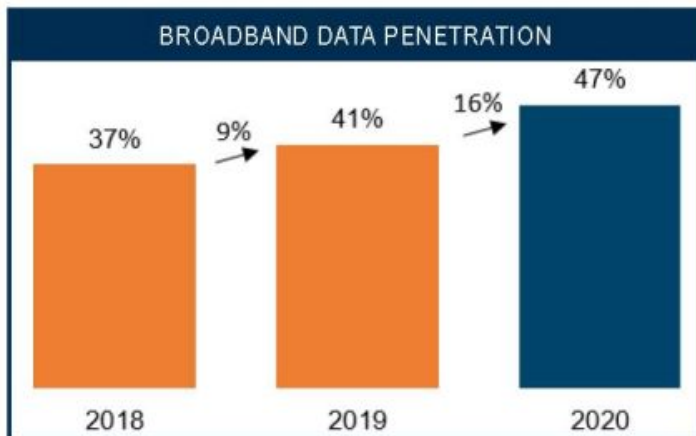
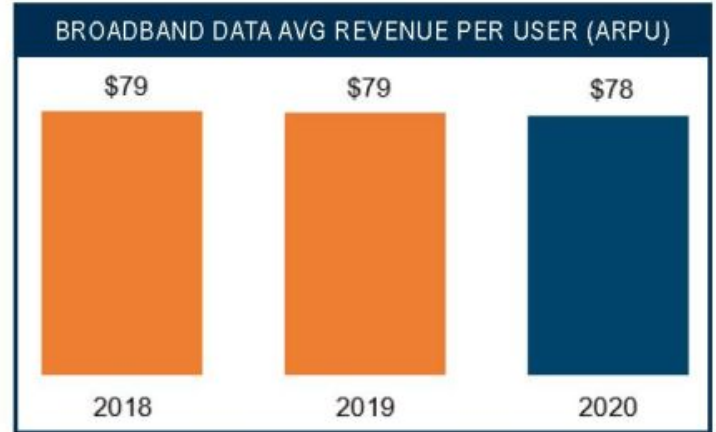
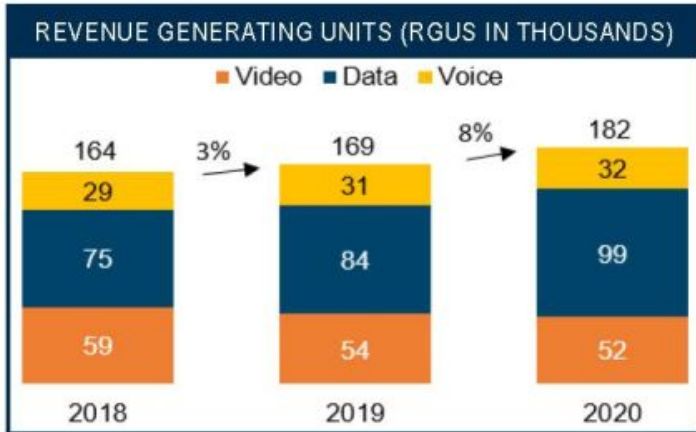


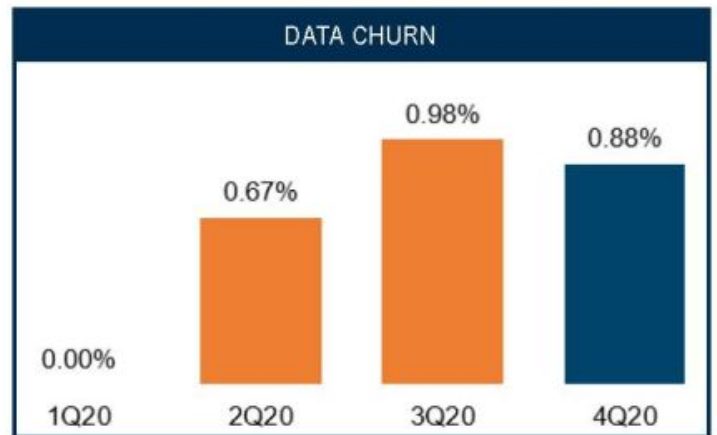
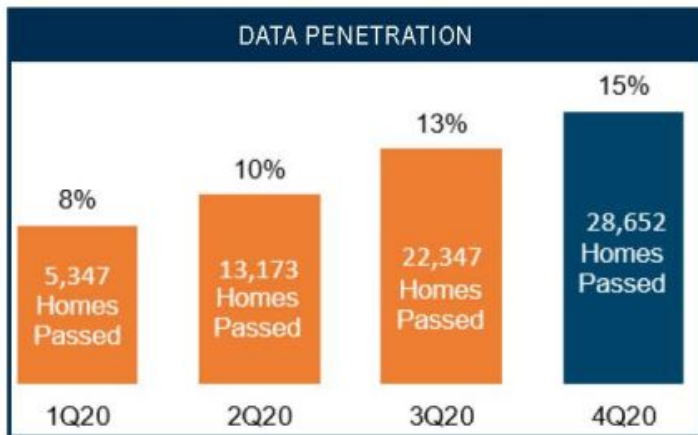
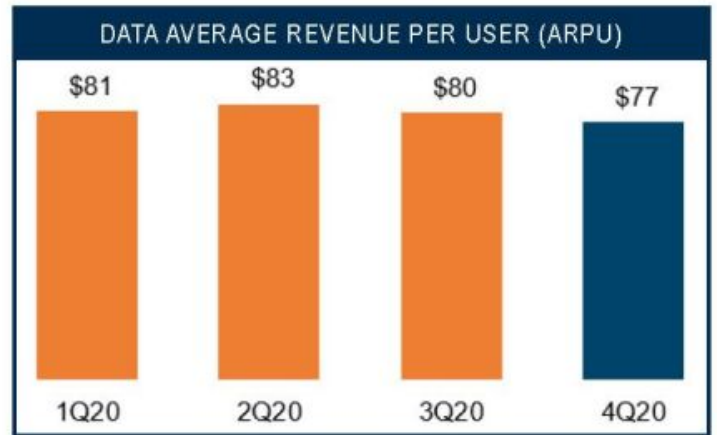
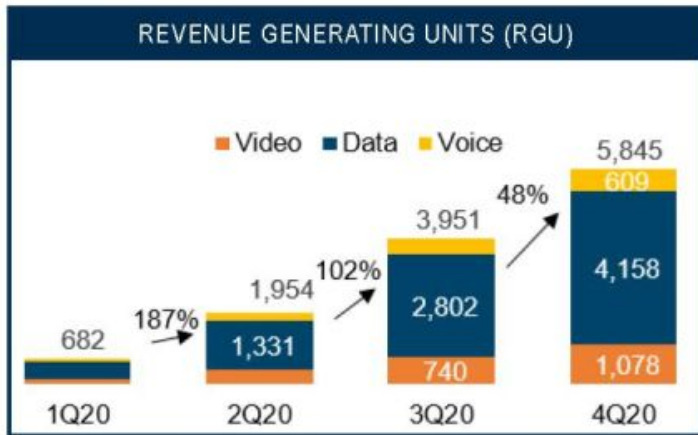
**TARGET MARKET DYNAMIC**

**SHENTEL OFFERING AND KPIs**

			
<b>POSITION</b> 	Incumbent	Greenfield fiber overbuilder	Greenfield fixed wireless broadband overbuilder
<b>MARKET TYPE</b> 	Various, but mostly rural	Higher density tier III / IV markets	Low density rural
<b>2020/2026 TARGET HOMES PASSED</b> 	209,000 / 215,000	29,000 / 300,000	9,000 / 215,000
<b>COMPETITION</b> 	>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
<b>PRIMARY NETWORK TECHNOLOGY</b> 	DOCSIS 3.1 HFC network	XGS-PON FTTH network	Fixed wireless network with a 5G-ready core using 2.5 & 3.5GHz licensed spectrum and massive MIMO technology
<b>BANDWIDTH SPEEDS OFFERED</b> 	Up to 1 Gbps	Up to 2 Gbps	Up to 100 Mbps
<b>HISTORICAL OPERATING PRESENCE AND EXPERIENCE</b>	Incumbent cable operator and wireless provider	Wireless provider and commercial fiber provider	Wireless provider and adjacent to many incumbent cable markets
<b>COST PER PASSING</b> 	\$1,500 - \$2,500*	\$700 - \$1,200	\$250 - \$350
<b>TERMINAL PENETRATION</b> 	55%	36%	31%

\*Incumbent cable only







# Glo Fiber Market Update

	Passings Released to Sales	Target Passings*	Launch Date	Penetration as of 12/31/2020
Harrisonburg VA	9,843	11,399	October 2019	18.6%
Staunton VA	9,856	9,895	February 2020	13.8%
Front Royal VA	4,237	4,933	March 2020	11.3%
Winchester VA	4,716	9,957	March 2020	10.3%
Salem VA		8,044	January 2021	
Lynchburg VA		16,039	2Q21	
Roanoke VA		28,207	2Q21	
Frederick MD		12,486	2H21	
Charles Town - Ranson WV		2,828	2H21	
Martinsburg WV		5,836	2H21	
Blacksburg VA		3,114	2022	
Lancaster Township PA		4,506	2022	
<b>Total</b>	<b>28,652</b>	<b>117,244</b>		<b>15%</b>

\*Target passings defined as Single Family Households (SFU), residential Multiple Dwelling Units (MDU) where we have gained right of entry and single tenant commercial buildings that conform to our target cost per pass criteria.

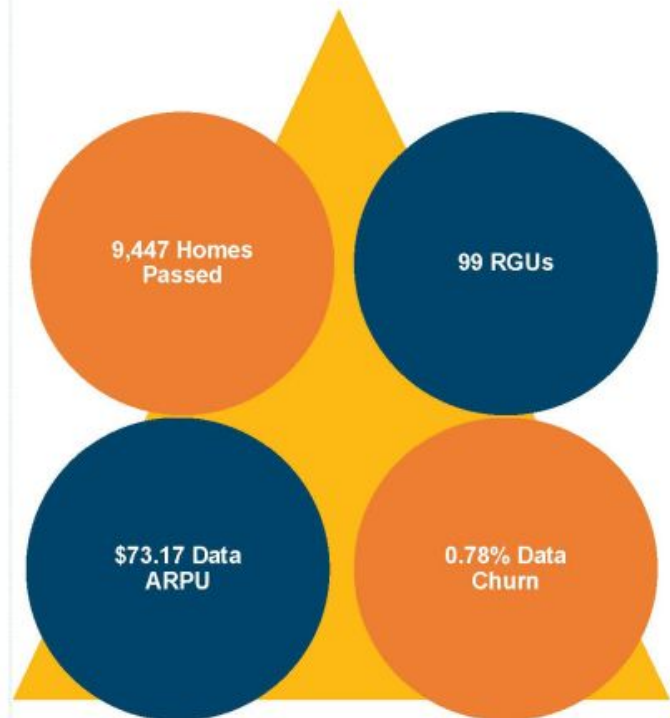


# Beam extending broadband network reach

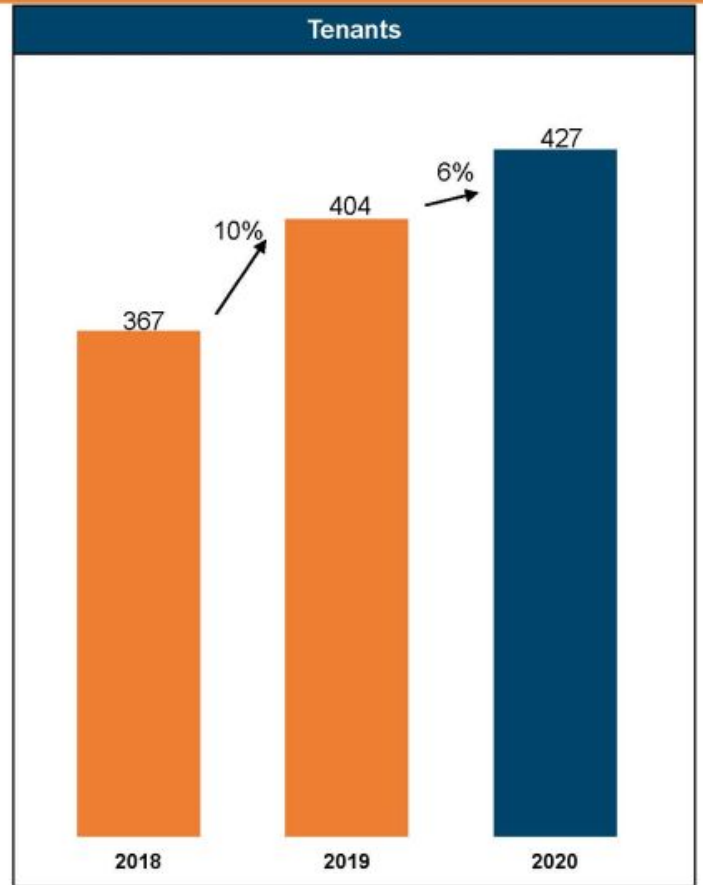
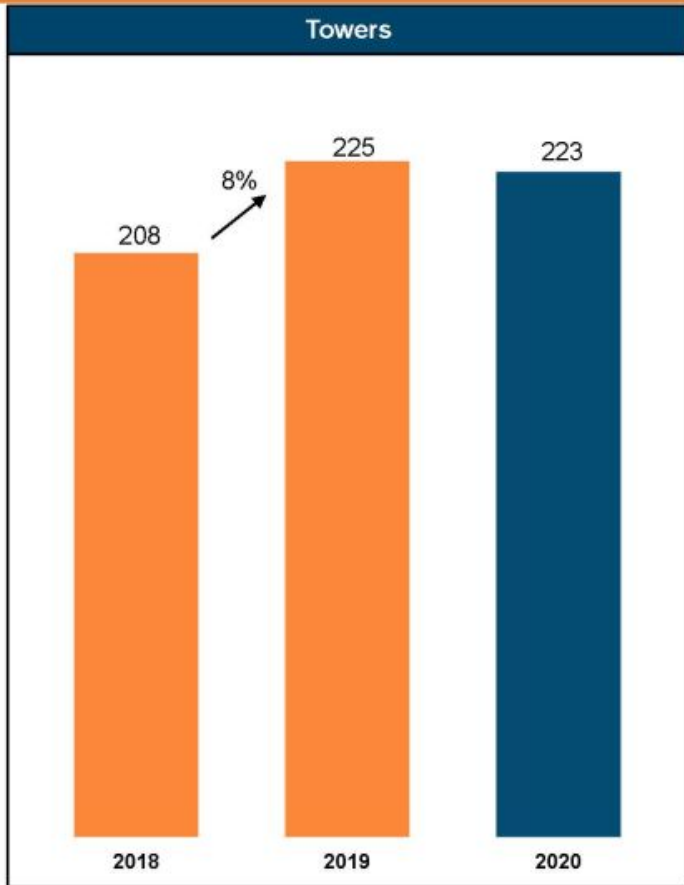
## HIGHLIGHTS

- **Exclusively licensed mid-band spectrum**
  - Deep 2.5/3.5 GHz spectrum holdings: between 30-90MHz per market
- **Existing relationships**
  - with tower owners and backhaul providers due to in-house wireless expertise
- **Outdoor customer premise equipment**
  - Eliminates building penetration loss
  - Ensures optimal network performance and capacity
- **Cutting-edge 5G-ready network**
  - Standards-based network architecture
  - Redundant LTE Network Core
  - Advanced massive MIMO antenna technology for efficient cell coverage
  - Peak throughput of 2Gbps per site today with increases to 3.5Gbps per site expected over time
  - Tier 1 equipment vendors
- **Robust indoor WiFi solution at customer premise**
  - maximizes customer satisfaction
  - minimizes installation time

## 2020 OPERATING RESULTS SINCE 10/5/2020 LAUNCH



# Towers



# Capital Expenditures (in millions)

■ Broadband ■ Glo & Beam ■ Tower ■ Other



\*Broadband excludes capex for Glo Fiber and Fixed Wireless

## Pending Wireless Sale and Use of Proceeds 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

### Expected timeline:

- Execute asset purchase agreement
- Obtain required regulatory approvals
- Close the transaction in early third quarter 2021

### Planned use of proceeds after close of sale:

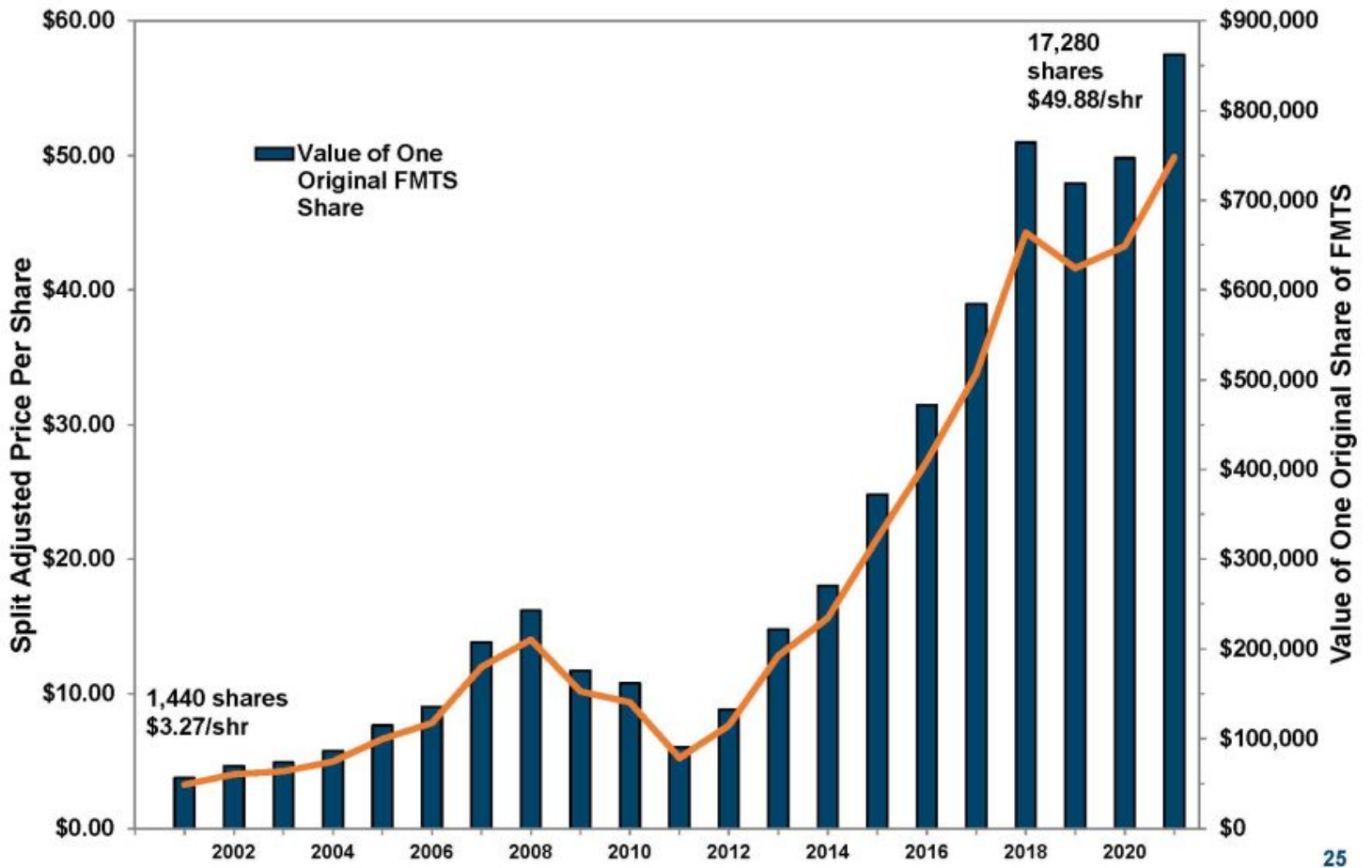
- Pay income taxes
- Repay existing credit agreements
- Pay \$18.75 per share special dividend subject to Board of Directors approvals



**Chris French**  
**President and CEO**

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# Split-Adjusted Stock Price and Value of Original Share



# Questions & Answers





# 2021 Shareholder Meeting

April 20, 2021

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# Appendix

## 2018 Adjusted OIBDA by Segment

Twelve Months Ended December 31, 2018

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Operating income	\$ 42,294	\$ 5,399	\$ (50,662)	\$ (2,969)
Depreciation	35,816	2,406	5,992	44,214
Amortization	176			176
OIBDA	78,286	7,805	(44,670)	41,421
Share-based compensation expense	—	—	4,745	4,745
Adjusted OIBDA	\$ 78,286	\$ 7,805	\$ (39,925)	\$ 46,166
Total revenue	\$ 183,120	\$ 12,196	\$ (2,633)	\$ 192,683
Adjusted OIBDA margin	42.8%	64.0%	N/A	24.0%

## 2019 Adjusted OIBDA by Segment

Twelve Months Ended December 31, 2019

<i>(in thousands)</i>	<b>Broadband</b>	<b>Tower</b>	<b>Corporate &amp; Eliminations</b>	<b>Consolidated</b>
Operating income	\$ 42,597	\$ 6,295	\$ (49,611)	\$ (719)
Depreciation	38,093	1,976	6,244	46,313
Amortization	473			473
OIBDA	81,163	8,271	(43,367)	46,067
Share-based compensation expense	—	—	3,367	3,367
Adjusted OIBDA	\$ 81,163	8,271	(40,000)	49,434
Total revenue	\$ 193,943	\$ 12,985	(66)	\$ 206,862
Adjusted OIBDA margin	41.8%	63.7%	N/A	23.9%

## 2020 Adjusted OIBDA by Segment

Twelve Months Ended December 31, 2020

(in thousands)

	Broadband	Tower	Corporate & Eliminations	Consolidated
Operating income	\$ 40,360	\$ 8,823	\$ (50,330)	\$ (1,147)
Depreciation	40,337	1,906	5,721	47,964
Amortization	739	—	—	739
OIBDA	81,436	10,729	(44,609)	47,556
Share-based compensation expense	—	—	5,907	5,907
Deal advisory fees	101	—	3,679	3,780
Adjusted OIBDA	\$ 81,537	\$ 10,729	(35,023)	57,243
Total revenue	\$ 204,347	\$ 17,055	\$ (627)	\$ 220,775
Adjusted OIBDA margin	39.9%	62.9%	N/A	25.9%

## 2021 Adjusted OIBDA Guidance

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### Twelve Months Ended December 31, 2021

(\$ in millions)

	Low	High
Operating income	\$ 7	\$ 14
Depreciation and amortization	55	55
OIBDA	62	69
Share-based compensation expense	6	6
Restructuring and other	1	1
Adjusted OIBDA	\$ 69	\$ 76
Total revenue	\$ 241	\$ 248
Adjusted OIBDA margin	28.6%	30.6%

## Adjusted OIBDA - CapEx

(\$ in thousands)	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 Guidance</u>
Adjusted OIBDA	\$46,166	\$49,434	\$57,243	\$69,000 - \$76,000
Less: Capital Expenditures*	<u>(56,631)</u>	<u>(48,210)</u>	<u>(61,321)</u>	<u>(63,000) – (57,000)</u>
Adjusted OIBDA less incumbent CapEx	<u>(10,465)</u>	<u>1,224</u>	<u>(4,078)</u>	<u>6,000 – 19,000</u>
Glo Fiber & Beam Capital Expenditures	<u>-</u>	<u>(18,838)</u>	<u>(59,129)</u>	<u>(105,000) – (100,000)</u>
Adjusted OIBDA less CapEx	<u>(\$10,465)</u>	<u>(\$17,614)</u>	<u>(\$63,207)</u>	<u>(\$99,000) – (\$81,000)</u>

\*Excludes capital expenditures for Glo Fiber and Fixed Wireless

Adjusted OIBDA less CapEx is a non-GAAP financial measure that, when viewed with our GAAP results, provides a more complete understanding of factors and trends affecting our cash flows. Adjusted OIBDA less CapEx is calculated by subtracting capital expenditures from Adjusted OIBDA.



# Broadband Average Revenue Per User (ARPU)

Incumbent Cable	<u>2018</u>	<u>2019</u>	<u>2020</u>
Data Residential & SMB Revenue (\$000's)	\$68,019	\$75,604	\$85,127
Average Revenue Generating Units	<u>71,643</u>	<u>80,035</u>	<u>90,983</u>
Average Revenue per User (ARPU)	<u>\$79.12</u>	<u>\$78.72</u>	<u>\$77.97</u>

Glo Fiber	<u>1Q20</u>	<u>2Q20</u>	<u>3Q20</u>	<u>4Q20</u>
Data Residential & SMB Revenue (\$000's)	\$65	\$201	\$491	\$819
Average Revenue Generating Units	<u>269</u>	<u>810</u>	<u>2,045</u>	<u>3,534</u>
Average Revenue per User (ARPU)	<u>\$80.55</u>	<u>\$82.72</u>	<u>\$80.03</u>	<u>\$77.25</u>

Beam Fixed Wireless	<u>1Q20</u>	<u>2Q20</u>	<u>3Q20</u>	<u>4Q20</u>
Data Residential & SMB Revenue (\$000's)	-	-	-	\$12
Average Revenue Generating Units	<u>-</u>	<u>-</u>	<u>-</u>	<u>82</u>
Average Revenue per User (ARPU)	<u>\$-</u>	<u>\$-</u>	<u>-</u>	<u>\$73.17</u>

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

**Shenandoah Telecommunications Company  
Annual Shareholders' Meeting**

Virtual Meeting - [www.virtualshareholdermeeting.com/SHEN2021](http://www.virtualshareholdermeeting.com/SHEN2021)

April 20, 2021  
11:00 a.m.

[Slide 1 on screen]

**CHRIS FRENCH**

Good morning, ladies and gentlemen, and welcome to the Shenandoah Telecommunications Company Annual Meeting of Shareholders. I am Christopher French, Chairman of the Board, President and Chief Executive Officer of your company, and I'll be acting as the Chairman of today's meeting. I'm so pleased to have you join this webcast, and I want to open by thanking the Shentel Board of Directors, all of whom are joining us virtually today.

And thank you to the Shentel leadership team, and our many Shentel employees throughout the Mid-Atlantic region, who have joined us as well.

While we had hoped the COVID-19 pandemic would be a distant memory by now, it's clear we all still have a long way to go. While we would prefer to be able to meet in person, the safety of everyone remains paramount, and we're again holding our annual meeting in a virtual format.

2020 was a year of many disruptions and uncertainties, presenting many unique challenges for the company. COVID-19 required us to quickly and safely adapt our operations to find ways to protect our employees while continuing to deliver quality services and support to our customers. Our incumbent broadband networks supported the heightened demand from customers for reliable high-speed data services. We completed a very successful first full year of operations for Glo Fiber, our fiber-to-the-home initiative launched in late 2019 to bring fiber-based services to higher-density urban/suburban markets in our region. In addition to growing these businesses, we expanded our complement of services and technology offerings with the launch of our Beam fixed wireless service, allowing us to further extend our broadband service to lower density rural markets. And on top of all this, we diligently worked through the process triggered by T-Mobile's acquisition of Sprint and the resulting impact to our wireless operations, setting the stage for its upcoming sale.

I am proud of how our employees and management team met and overcame these challenges, all while continuing to execute on our strategic growth initiatives. It has truly been a team effort, and I thank all of our employees, members of management, and our board of directors, for their efforts and support during the year.

We will now conduct our meeting's formal business, and then you will hear from our management team about the results and accomplishments in 2020, as well as the company's current financial and operational status. After the presentations, we will also respond to questions submitted by shareholders.

It is now 11:\_\_\_ am, and this meeting is officially called to order.

[Slide 2] I'd first like to introduce the members of our Board of Directors. In addition to myself, the Directors are: Thomas A. Beckett; Tracy Fitzsimmons; John W. Flora; Richard L. Koontz Jr.; Dale S. Lam; Kenneth L. Quaglio; and, Leigh Ann Schultz.

Also joining us today are representatives of KPMG, our independent auditors, led by partner Jerry Elkins.

Members of the senior management team participating with me today are: Dave Heimbach, our Executive Vice President, and Chief Operating Officer; Jim Volk, our Senior Vice President -Finance, and Chief Financial Officer; and Ray Ostroski, our Vice President-Legal, and General Counsel. Ray will also serve as Secretary of this meeting.

We will now begin the formal business meeting, and I will ask Ray to lead us through the formal agenda items.

#### **RAY OSTROSKI**

[Slide 3] The principal business of today's meeting, as described in the Company's proxy statement, is the following:

- to vote upon a proposal to elect three directors of the Company to the Board of Directors for a term expiring at the annual meeting of shareholders in the year 2024;
- to ratify the Audit Committee's selection of KPMG LLP as the Company's independent registered public accounting firm for 2021; and
- to approve, in a non-binding vote, the Company's named executive officer compensation.

There were no shareholder nominations or proposals for business for this meeting filed with the Secretary. Resolutions were adopted by the Board of Directors of the Company, providing for the meeting to be held via live webcast at this time and directing that notice be given as provided in the bylaws. The Board also fixed February 24, 2021, as the record date for determining persons entitled to notice of, and to vote at, this meeting. In addition, the Board of Directors adopted resolutions authorizing shareholders to participate by means of remote communication at this meeting.

Official notice of the meeting was given to all shareholders of record by mail. The Company commenced the delivery of the notice to shareholders, together with a notice of availability of the proxy statement and other materials necessary to vote at this meeting, on March 5, 2021. I submit for inclusion in the record of this meeting an affidavit to that effect.

The Company has appointed Mr. Kirk Andrews as Inspector of Election. Broadridge Financial Solutions will tabulate the votes for today's meeting.

There are 49,932,051 shares of common stock entitled to vote as of the February 24, 2021 record date. There are [ ] shares present at this meeting by proxy, and I find that proper notice has been given and that a quorum is present. Accordingly, this meeting has been properly convened.

**CHRIS FRENCH**

Thank you Ray. It is 11:[ ] a.m., Eastern time, and I now declare the polls for voting are open. Ray, would you please present the matters to be voted upon?

**RAY OSTROSKI**

**Proposal 1**

The first proposal we will consider is the election of directors.

Under the Company's articles of incorporation, our Board of Directors is divided into three classes. The terms of office of the three current classes of directors expire at this annual meeting, at the annual meeting of shareholders in 2022 and at the annual meeting of shareholders in 2023, respectively.

Thomas A. Beckett, Richard L. Koontz, Jr., and Leigh Ann Schultz have been nominated to the class with a three-year term that will expire at the annual meeting of shareholders in 2024.

Information concerning their principal occupations, their service with the Company, and other matters that may be of interest are contained in the proxy statement. No nominations may be made at this meeting, and I therefore declare nominations to be closed.

Approval of the nominees requires the affirmative vote of a majority of the votes cast at this meeting. The Board of Directors has unanimously recommended that shareholders vote "FOR" the election of the foregoing nominees to serve as directors.

**Proposal 2**

The next item of business is the ratification of the Audit Committee's appointment of KPMG LLP as the Company's independent registered public accounting firm for the Company's fiscal year ending December 31, 2021. The report of the Audit Committee is contained in the proxy statement.

Ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for 2021 will be approved if the number of votes cast in favor of the proposal exceeds the number of votes cast against approval of the proposal. The Board of Directors has unanimously recommended that shareholders vote "FOR" ratification of the appointment of KPMG LLP.

**Proposal 3**

In our last item of business, shareholders are asked to approve, in a non-binding vote, the named executive officer compensation. This proposal is described in the proxy statement, along with the Board's reasoning for recommending its approval.

Under the SEC rules, the vote on this proposal is not binding on the Board of Directors or the Company. Although the vote is non-binding, the Board and the Compensation Committee will review and consider the voting results when evaluating our executive compensation program. The proposal will be approved if the number of votes cast in favor exceeds the number of votes cast against the proposal.

The Board of Directors has unanimously recommended that shareholders vote “FOR” the approval of the compensation of the Company’s named executive officers.

Mr. Chairman, there are no other matters upon which to vote at this meeting.

**CHRIS FRENCH**

Thank you Ray. As previously announced, the polls for voting are open.

If you have previously voted your proxy online, or completed and mailed a proxy card, it will be voted as you have instructed, and it is not necessary to vote now unless you wish to change your votes. For any shareholder who has not yet voted, or wants to change your vote, please do so now by clicking on the voting button on the meeting’s web portal and following the instructions there. Again, if you have previously voted, and do not want to change your vote, you do not need to take any further action.

**[PAUSE FOR VOTING – short pause]**

Now that everyone has had the opportunity to vote, I declare the polls for voting on the matters before this meeting are hereby closed, and the Inspector of Election will tabulate the votes.

Ray, would you please present the Inspector of Election’s preliminary report on the vote?

**RAY OSTROSKI**

The Inspector of Election has provided me with a preliminary report on the voting. Based on the preliminary voting report, I am pleased to announce that all of the directors standing for reelection have been elected and that the other two proposals have been approved. The final voting results will be filed with the minutes of this meeting and will also be reported by the Company in a Form 8-K to be filed with the Securities and Exchange Commission within 4 business days following today’s meeting.

**CHRIS FRENCH**

This concludes the formal business of today’s meeting.

Before I turn the meeting over to Jim and Dave to give the reports on the Company’s financial results and operations, let me point out the disclosures regarding forward-looking statements and our use of non-GAAP financial measures. **[Slide 4]** Our presentations include “forward-looking statements” in accordance with the rules of the Securities and Exchange Commission, and they may contain our current expectations of future events. Also, **[Slide 5]** some of the performance metrics we discuss are not determined in accordance with generally accepted accounting principles, or GAAP, but they are commonly used in our industry and we believe they can provide relevant and useful information regarding our Company’s performance.

I’ll now turn it over to Jim Volk, our Chief Financial Officer. **[Slide 6]**

## JIM VOLK

Thanks Chris and good morning to all our shareholders.

Please refer to **Slide 7** for our 2020 financial results. Broadband revenue grew year over year 5.4% to \$204.3 million in 2020 driven by an increase of \$12.7 million or 8.9% in residential and SMB revenue due primarily from a 22.3% increase in broadband data RGUs. Commercial fiber revenue grew \$2.3 million or 7.7% to \$32.8 million driven by higher enterprise and backhaul connections. RLEC and Other revenue declined \$4.7 million or 22.0% to \$16.6 million primarily from lower DSL subscribers, government support and intercompany phone service. 2020 Broadband Adjusted OIBDA grew \$400,000 to \$81.5 million from 2019 as revenue growth was largely offset by higher compensation, software fees and professional services expenses. Compensation expense increases were primarily due to new hiring for the launch of Beam and increasing the support staff of Glo Fiber in the four new markets that we launched in 2020 in addition to Covid-19 supplemental pay for customer facing employees during the second quarter.

On **Slide 8**, Tower segment revenue grew 31.3% to \$17.1 million and Adjusted OIBDA grew 29.7% to \$10.7 million for 2020 in comparison to 2019 due to 5.7% growth in tenants and 23.4% increase in the average lease rate due to amendments to the intercompany leases.

Moving to **Slide 9**, consolidated revenue grew year over year 6.7% to \$220.8 million in 2020. Consolidated Adjusted OIBDA grew 15.8% to \$57.2 million during the same time period. The increase was due primarily to strong growth in Towers and a \$5.0 million or 12.5% reduction in corporate expenses.

Turning now to our 2021 outlook. We expect consolidated revenues to be \$241 to \$248 million and Adjusted OIBDA to range between \$69 and \$76 million. The strong expected growth is driven by a full year of revenue from the record year of broadband net additions and lower expected corporate expenses. Earlier this month, we announced an organizational restructuring that we expect will save \$4 million annually in run-rate expenses.

Shifting to **Slide 10**, 2020 operating loss was flat with prior year and operating income is expected to be \$7 to \$14 million in 2021. Net income per share for discontinued operations grew 131% to \$2.48 in 2020 due primarily to the favorable resolution of the Sprint travel dispute and the ceasing of depreciation and amortization for the wireless assets held for sale beginning in September.

Shentel has a long history of returning some of our earnings each year to our shareholders. **Slide 11** reflects the cash dividend per share history. 2020 marked the 61st consecutive year of paying a cash dividend and the 8th consecutive year of increasing the dividend. Our Board of Directors authorized a healthy 17.2% increase in the cash dividend to \$0.34 in 2020 reflecting the strong income and cash generation of the wireless segment.

Turning to **Slide 12**, continuing operations had \$63 million of negative Adjusted OIBDA minus capex in 2020 driven primarily by \$59 million of capex and \$5 million of negative contribution to Adjusted OIBDA for Glo Fiber and Beam. We expect 2021 Adjusted OIBDA less capex to range from negative \$81 to \$99 million in 2021 as we continue our aggressive expansion of our Glo Fiber and Beam offerings.

We ended 2020 with \$698 million in debt with an effective interest rate of 2.3% and \$270 million in total liquidity including \$195 million of cash and equivalents.

Moving to the pending sale of our wireless assets and operations on **Slide 13**, we plan to disburse all the sale proceeds of \$1.95 billion plus cash on hand to re-pay all of our term loans and terminate the credit facility which is approximately \$700 million, pay income taxes related to the sale of \$450 million and pay a special dividend to our shareholders of \$18.75 per share for a total of approximately \$930 million. The special dividend is expected to taxable as a Qualified dividend subject to shareholders meeting the required holding period.

And now, I'll turn the call over to Dave. [**Slide 14**]

## **DAVE HEIMBACH**

Thanks, Jim.

As Chris pointed out, 2020 was another year of fantastic execution in spite of all of the disruption and uncertainty associated with navigating the COVID-19 pandemic in combination with a difficult and time-consuming appraisal process related to the sale of our wireless assets and operations. We could not be more proud of our team's performance in the face of this adversity; our network operations, retail operations, customer service and field operations teams all operated seamlessly throughout the course of the year while having to work remotely or take additional precautions to perform their work safely. Our wireless, broadband and fiber networks proved their resiliency and our network teams ensured ample capacity in support of surging demand and network utilization as consumers shifted to work and study from home. However, our team's focus was not limited to just maintaining the continuity of existing operations in the face of adversity. We managed to simultaneously expand our fiber footprint through the launch of 3 new Glo Fiber markets as well as create an entirely new fixed wireless broadband offering called "Beam Internet" that will serve the less densely populated areas of our region where folks have little or no choice for high speed Internet access.

Turning to **Slide 15**, we have depicted our rapidly evolving and expanding fiber, cable, and fixed wireless broadband footprint. This map helps illustrate the integrated nature of our broadband networks and how operating leverage will increase over time given the overlap and adjacency of our operations in our growing footprint. In addition to the 3 new Glo markets we launched comprising nearly 29,000 new fiber passings we constructed 25 new Beam macro sites in 2020 as well. [As Chris stated at the start of the call], combined, our multi-pronged broadband growth strategy will more than triple homes passed to over 730,000 in the next five years. We will continue to update you on the status of our Glo Fiber and Beam Internet expansion plans each quarter as we continue to progress in our market development and construction efforts.

On **Slide 16**, we have outlined our three primary product offerings to serve a variety of market dynamics. Our Shentel incumbent cable networks service both small towns and rural areas with broadband data speeds of up to 1 Gigabit per second, home phone and cable TV service across 209,000 homes and businesses in Virginia, West Virginia and Maryland. Our Glo Fiber service targets higher density urban markets and our new Beam Internet fixed wireless service targets lower density rural areas where it isn't cost effective to build cable or fiber. We now reach approximately 247,000 homes and businesses passed which is an increase of over 38,000 from the end of 2019. The common denominator in all of our offerings is to provide the leading high speed Internet service available in each market combined with superior local customer service. With projected Glo and Beam terminal penetration rates in the low to mid 30% range and incumbent cable penetration in the mid 50% range, we expect our Broadband business to have industry leading sustainable growth as we build out our network over the next several years.

Now I'll review some highlights from our operating results in 2020. Turning to **Slide 17**, our incumbent cable business grew total Revenue Generating Units, or RGUs, a robust 7.7% year over year to approximately 182 thousand in 2020 compared to approximately 169 thousand in 2019. We added roughly 15 thousand net broadband data RGUs in 2020 and ended the year with nearly 99 thousand data RGUs which is an exceptional 17.9% increase to the prior year. We are also very pleased to report that our incumbent cable broadband data penetration increased from 40.6% in 2019 to 47.2% in 2020 on the continued strength of our new broadband data speeds, new rate card, service improvements and increased demand related to COVID-19. Incumbent cable broadband data churn in 2020 continued to improve declining 20 basis points versus the prior year quarter to an impressive 1.6% representing 15 consecutive quarters of year over year churn improvement. Our new Powerhouse-branded rate card leveraging an improved value proposition based on our DOCSIS 3.1 speed upgrades now comprises 74% of the customer base. At the end of 2019, 35% of incumbent cable broadband data customers were on rate plans of 10 megabits per second or less; at the end of 2020, nearly 80% were on our new Powerhouse plans of 25 megabits per second or higher with an average subscribed download speed of 83 megabits per second well beyond the reach of our incumbent telephone company competitors offering DSL service.



Turning to **Slide 18**, we had an outstanding first full year executing our new fiber to the home edge out strategy, Glo Fiber. Glo had approximately 5,800 total RGUs at the end of 2020 with a 14.5% aggregate broadband data penetration rate across all markets comprised of just over 4,000 new Glo Fiber customer relationships. We continue to see extraordinarily low churn in our Glo Fiber high speed data product, with only 0.88% churn in the most recent quarter. Broadband data ARPU was down sequentially to \$77.25 as a result of new activation revenue timing but importantly *not* due to discounting. In fact, we continue to see a higher percentage of new subscribers electing our higher priced Gigabit speed tier with 44% of new subs in the most recent quarter adopting this plan comprising 40% of the overall Glo Fiber base. Our streaming TV and voice services continue to perform very well with 28% and 15% attachment rates, respectively. At the end of 2020, 67% of Glo Fiber customers were single play broadband data only, 25% of subs were in a double play and 8% were in a triple play.

**Slide 19** depicts the status of our active and approved Glo Fiber markets at the end of 2020. Our first Glo Fiber market in Harrisonburg, Virginia reached 18.6% broadband data penetration at the end of the year with some of our most mature neighborhoods in that community approaching our target terminal penetration rate of 36%. Construction efforts are progressing very well and also exceeded our expectations in 2020 in spite of concerns of delays related to COVID-19. Approximately 6,300 new residential and small business passings were constructed and released to sales in the most recent quarter with a total of 27,000 Glo Fiber addresses added in 2020 and just under 29,000 overall at the end of the year. We launched the Salem, Virginia market in January and the Roanoke, Virginia market in March and we expect to construct and release to sales approximately 45,000 new Glo Fiber passings by the end of 2021 bringing total active passings to approximately 74,000. In total, Glo Fiber has approved franchised target passings of approximately 117,000 with a strong funnel of additional markets in our edge-out strategy as we start 2021.

Meanwhile, we were also hard at work in 2020 readying the launch of Beam Internet and were very excited to bring more choice for high speed Internet service to consumers in Albemarle, Augusta, Louisa and Rockingham counties in Virginia starting in October. **Slide 20** provides some more details about our new fixed wireless broadband offering which is based on exclusively licensed mid-band spectrum assets Shentel acquired over the last couple of years. In providing this new broadband service, we are leveraging our expertise in designing, building and operating wireless networks over the last 25 years as a Sprint affiliate. Unlike fixed wireless offerings you may read or hear about from the big three mobile operators, Beam Internet leverages professionally installed high gain outdoor-mounted equipment on the customer's home which ensures optimal network performance and capacity. The foundation of the Beam network is a 5G-ready, LTE-based core that leverages secure tier 1 European equipment vendors. Our wireless service is offered from commercial grade towers or small cells that are predominantly fiber-fed ensuring high reliability and low latency. Customers will receive a robust indoor WiFi signal inside the home leveraging the same indoor mesh WiFi technology we use in our Glo Fiber markets and for all new customers in our incumbent cable networks, too. Lastly, Beam customers will get the same great customer service all Shentel customers have come to expect from our local call center agents and technicians. We are currently servicing nearly 9,500 target households and added our first 99 Beam subscribers during the fourth quarter of 2020. We plan to construct nearly 70 new Beam sites in 2021 and increase target households passed to approximately 45,000.

Turning to **Slide 21**, total tower tenants increased 5.7% year over year to 427 on 223 total towers which includes 221 intercompany tenants, primarily for our Wireless operations. We had a backlog of 151 open orders related to upgrades of existing tenants or the addition of new tenants at the end of 2020.

**Slide 22** provides an update to our 2020 capital spending results and guidance for our continuing operations for 2021. We are no longer providing wireless guidance as a result of the pending sale and discontinued operations presentation. Capital expenditures were \$120 million in 2020 compared to \$67 million in 2019. The primary driver of the year over year increase relates to the investments in our Glo Fiber and Beam Internet fixed wireless broadband initiatives. For 2021, our guidance for the full year is \$157-168 million as we continue to invest aggressively in the expansion of our fiber, cable and fixed wireless broadband networks. Of the \$55-60 million of capital spend in our legacy broadband operations, approximately \$24 million is success-based in support of the continued growth in our commercial and wholesale fiber business and the increase in broadband data penetration we expect to achieve in our incumbent cable markets. Of the \$100-105 million in Glo Fiber and Beam related capital spend in 2021, approximately \$74 million is related to design and construction of new fiber and fixed wireless target passings and \$13 million is related to connecting new fiber and fixed wireless subscribers.

Finally, on **Slide 23** I'd like to provide a brief update on the pending sale of our wireless assets and operations to T-Mobile. With the determination of the sales price related to T-Mobile's election of the purchase option in our affiliate agreement behind us, we are now focused on executing the asset purchase agreement and obtaining required regulatory approvals and closing the transaction in early third quarter. After the sale is completed, our Board of Directors will then meet to consider the special dividend and set the record and payable dates.

Thank you for your time today and I will now turn the presentation back over to you, Chris.

[Slide 24]

**CHRIS FRENCH**

Thanks Dave.

As I said at the beginning of the meeting, 2020's disruptions and uncertainties presented many unique challenges for the company. Jim and Dave's reports hopefully give you a good appreciation of how well our team met these challenges, and helped us continue to build value for our shareholders

Our long-term shareholders know that our company has a history of adapting and changing, and how doing so is critical to being able to generate long-term growth. I'd like to close our management reports by providing some perspective on our longer term success, and the growth and value that has been created for our shareholders.

As a growth company, shareholder value is predominantly provided through long-term appreciation in the value of our common stock. In prior years, I've shared with you this slide **[Slide 25]** providing a view of what one original Farmers Mutual share has become in shares of Shenandoah Telecommunications. This updated chart shows the past twenty years for both the split adjusted share price and the end of period value for our stock. Twenty years ago, the one original mutual share had evolved into 1,440 shares of Shenandoah Telecommunications, and the stock was trading for about \$39.24 at the end of 2001, for a total value of about \$56,500. With subsequent splits and increases in our stock price, the one original share is now 17,280 shares of Shentel, and at a recent price of about \$50.00 per share, represented a total investment value of more than \$860,000.

With the upcoming sale of our wireless business, we will transition to a broadband-centric company, with a complementary mix of state-of-the-art cable, fiber and fixed wireless technologies supporting product offerings serving a variety of markets. Our long history of service reflects our ability to adapt to change, and I believe we are well positioned to continue successfully doing so. And in turn, we will be able to grow the long-term value of our shareholders' investment. We appreciate the continued support and confidence of our shareholders.

This concludes our management reports, and we'll now turn to questions from shareholders. **[Slide 26]** We will begin with any that we received in advance of today's meeting, and will then take questions that shareholders entered today on the web portal. For shareholders that want to ask questions right now, please type your question into the space provided on the meeting webpage. Please try to be succinct in stating your question. Please note we will attempt to answer as many questions as time allows, but only questions that are appropriate and germane to the meeting will be addressed. We will also skip questions that we believe are duplicative or covered by another question. If we receive more questions than we are able to answer, we will post those questions and our answers on our website shortly after today's meeting.

[Q&A session]

That concludes our Q&A session this morning. **[Slide 27]**

I thank you all for joining us this morning, and trust that you and your families will stay safe.

This meeting is now adjourned.