



Q1 2023

Earnings Conference Call

April 28, 2023

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;
- ❑ Adverse economic conditions including high inflation; 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.

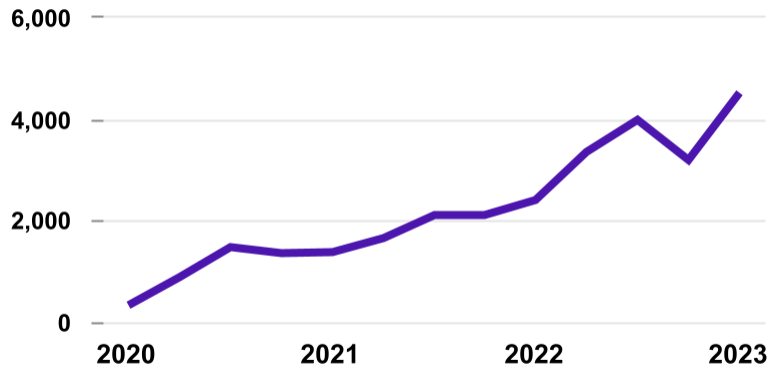


Chris French

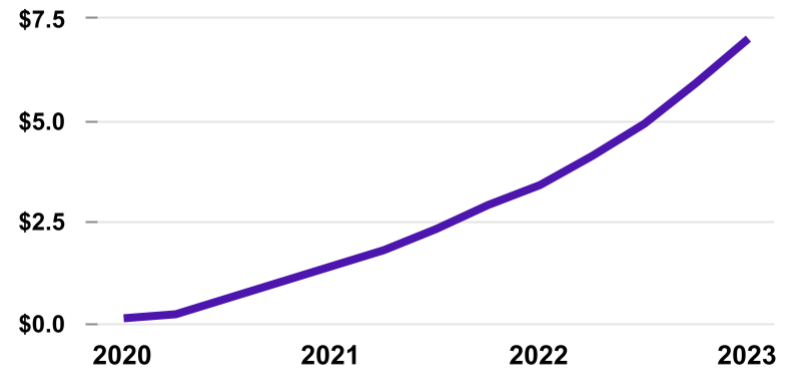
President and CEO

Record Quarter for Broadband Driven by Glo Fiber

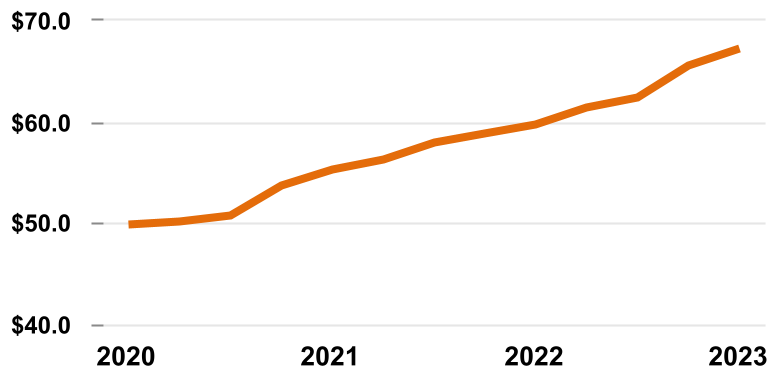
Quarterly Glo Fiber Data Net Additions



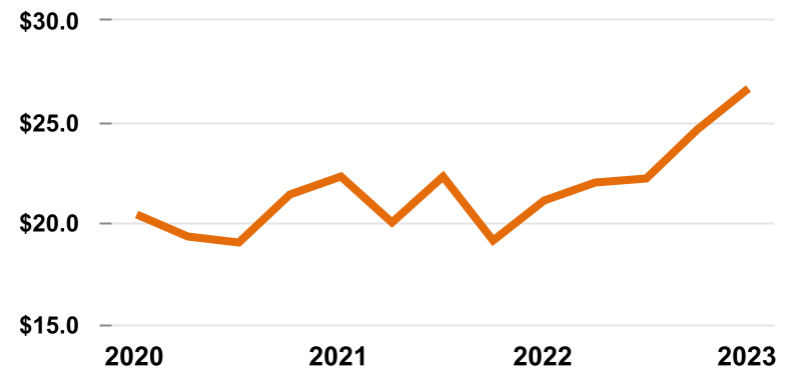
Quarterly Glo Fiber Revenue (\$ in millions)



Quarterly Broadband Revenue (\$ in millions)

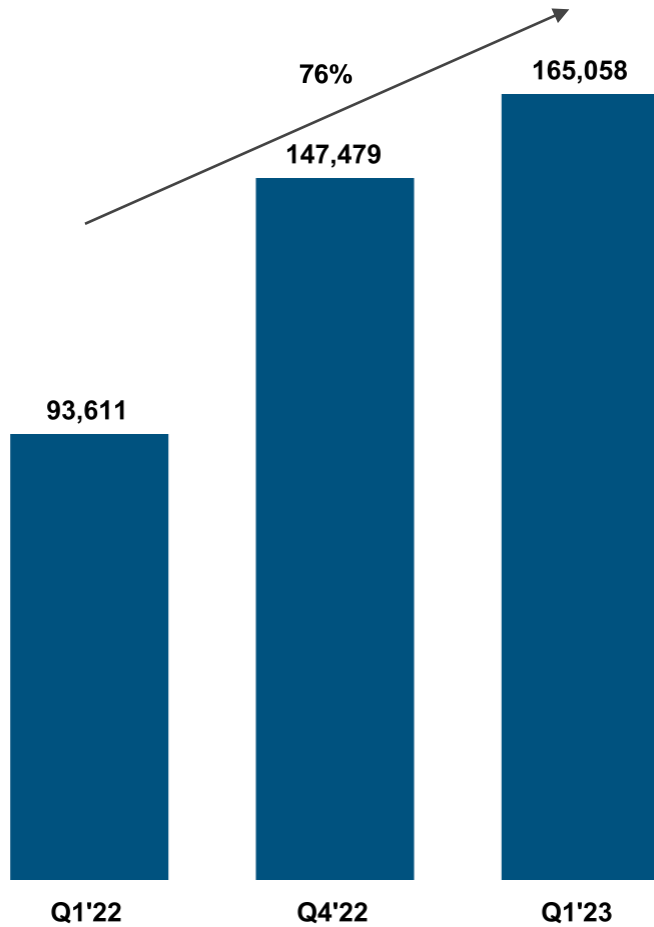


Quarterly Broadband Adjusted EBITDA (\$ in millions)

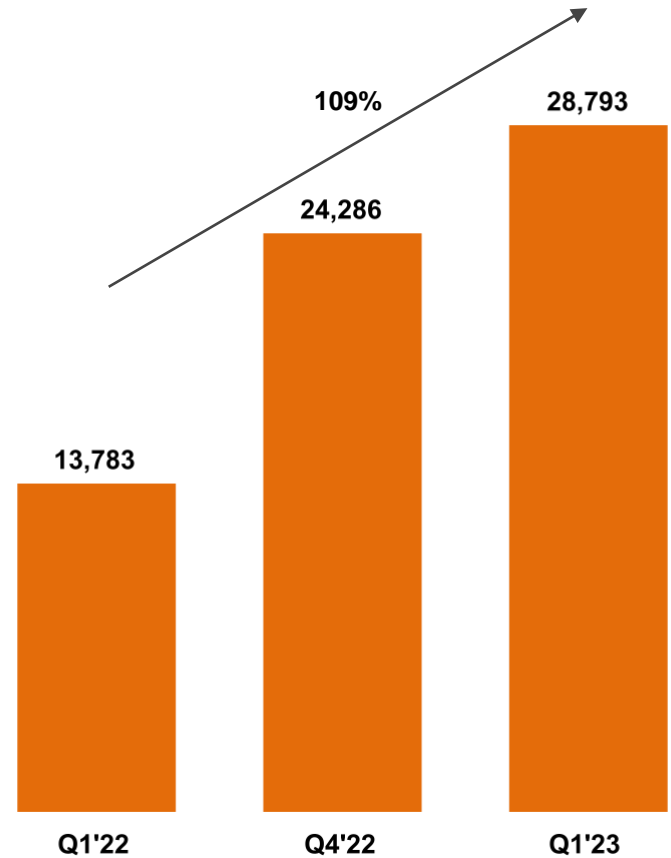


Accelerating Pace of Construction and Sales

Glo Fiber Passings Released to Sales



Glo Fiber Ending Data Subscribers





Jim Volk

SVP of Finance and CFO

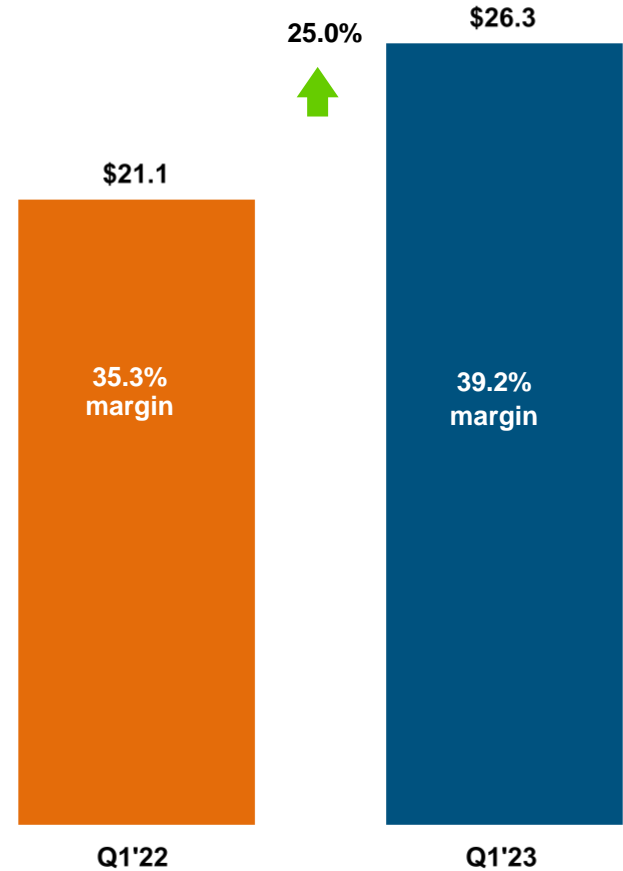
Broadband Highlights - First Quarter Results

Revenue (in millions)

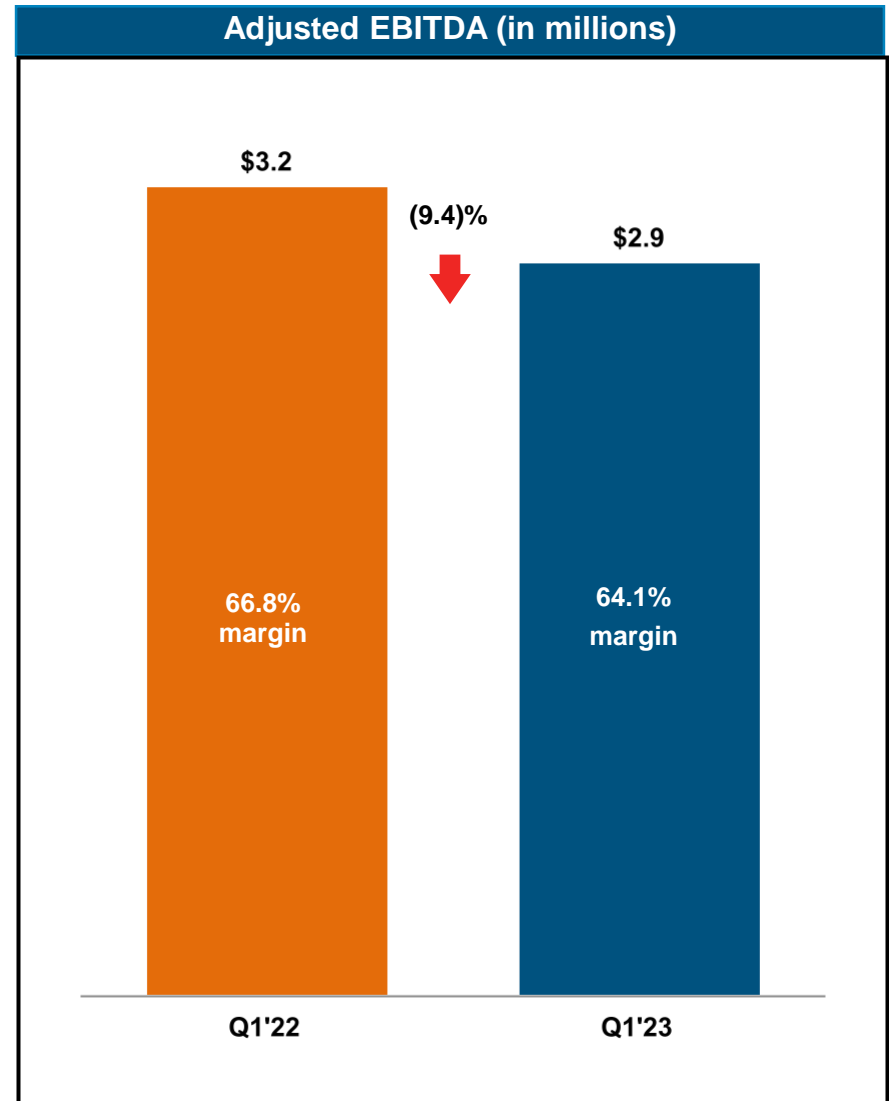
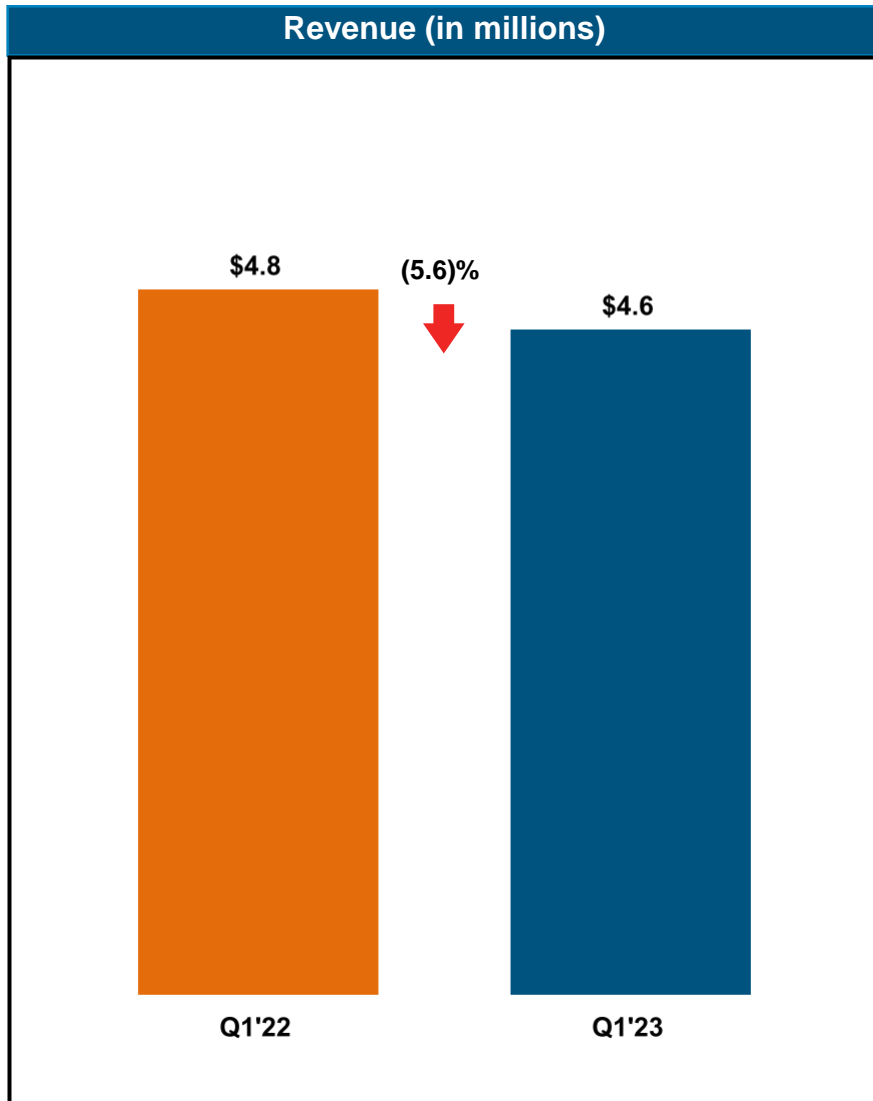
- Residential & SMB - Cable Markets
- Residential & SMB - Glo Fiber Markets
- Commercial Fiber
- RLEC & Other



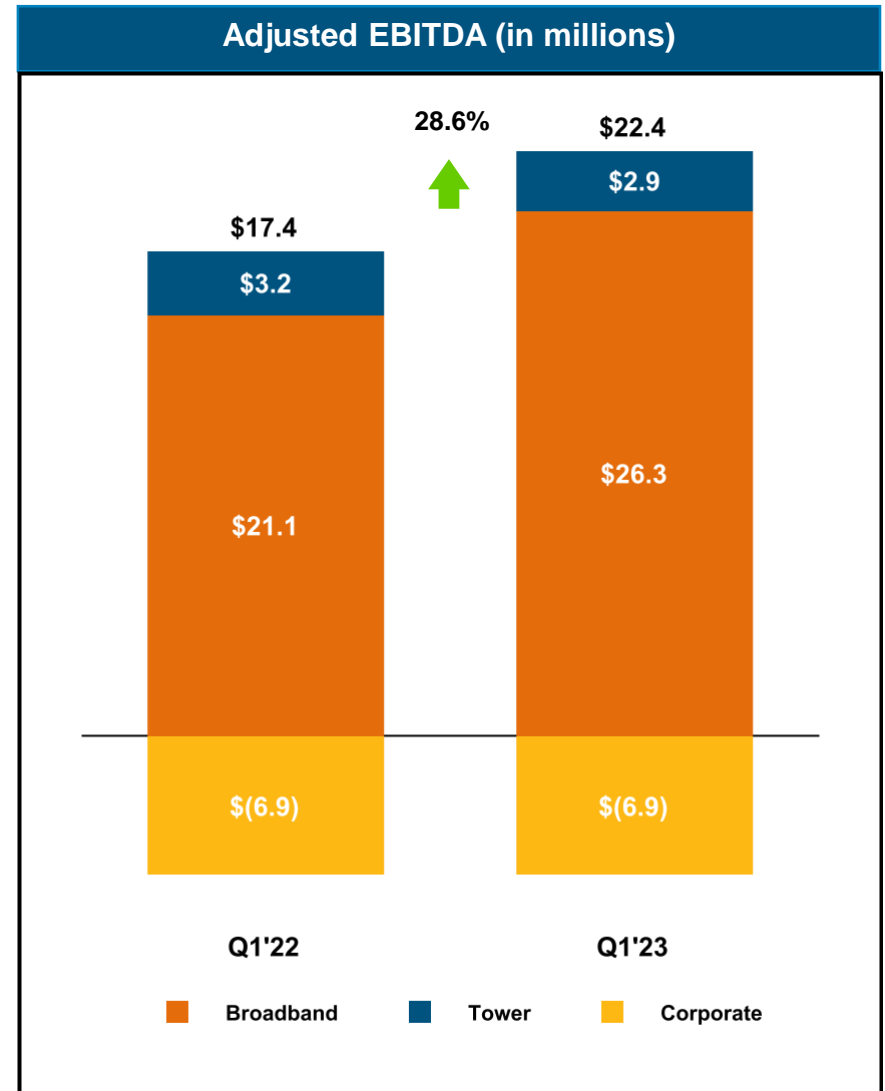
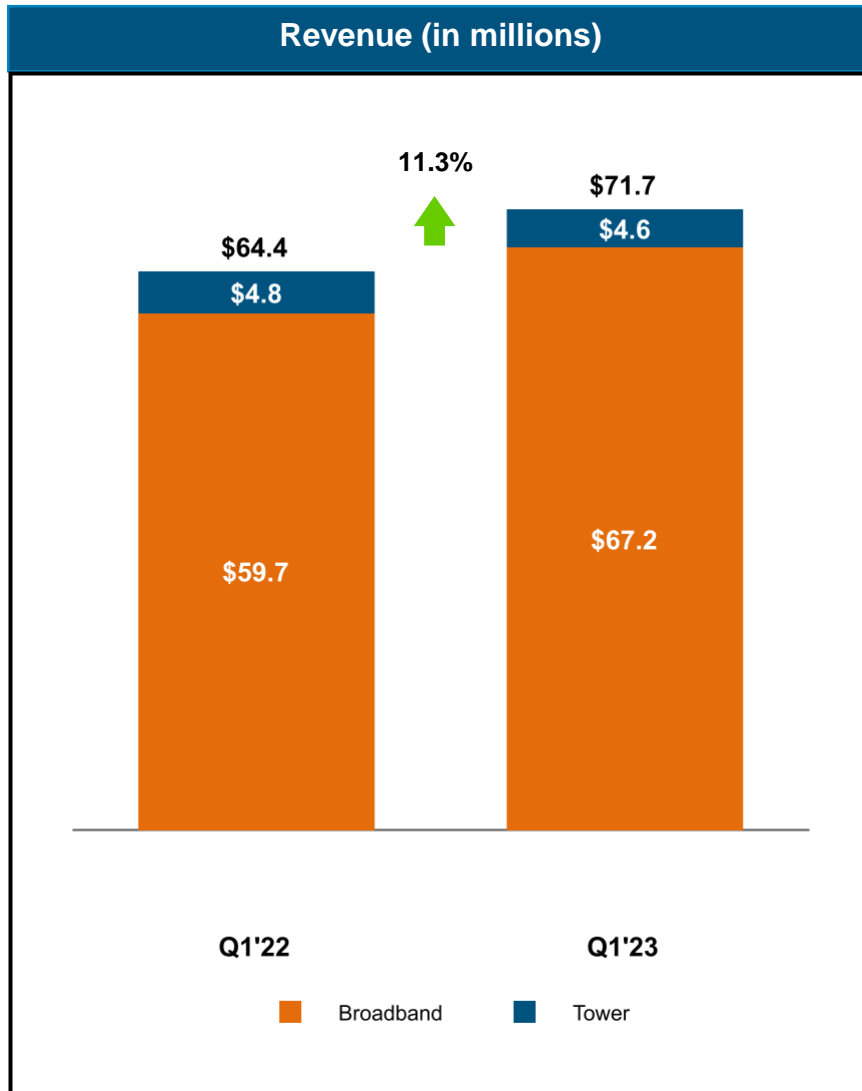
Adjusted EBITDA (in millions)



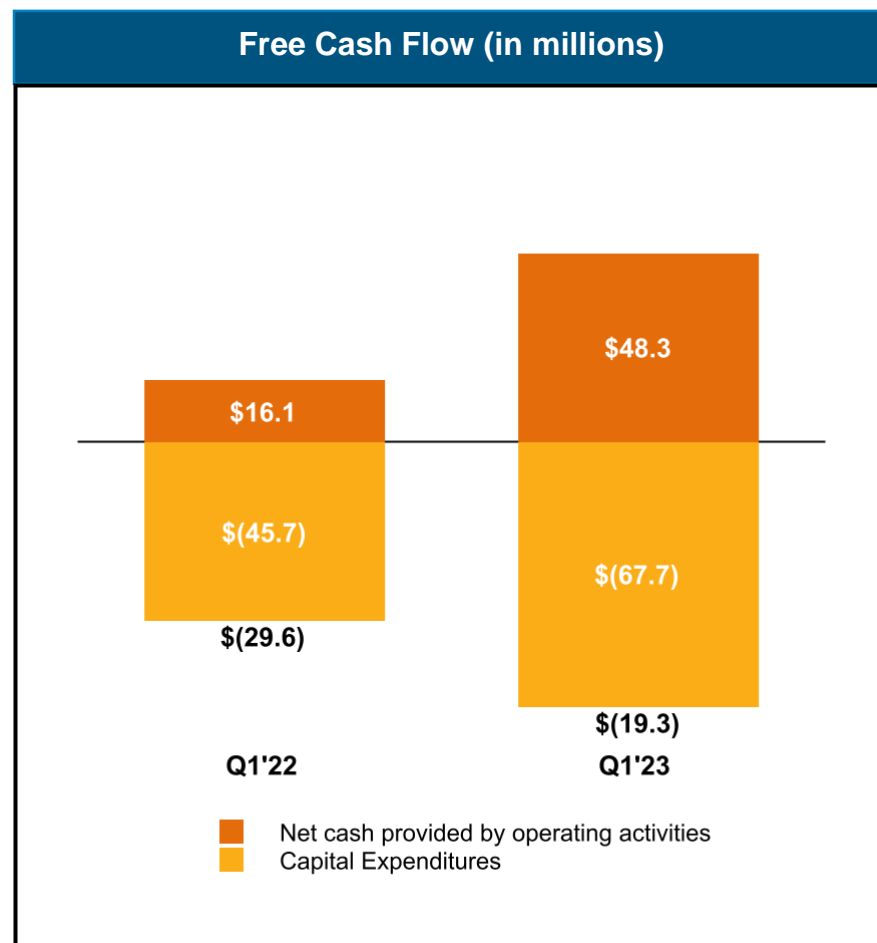
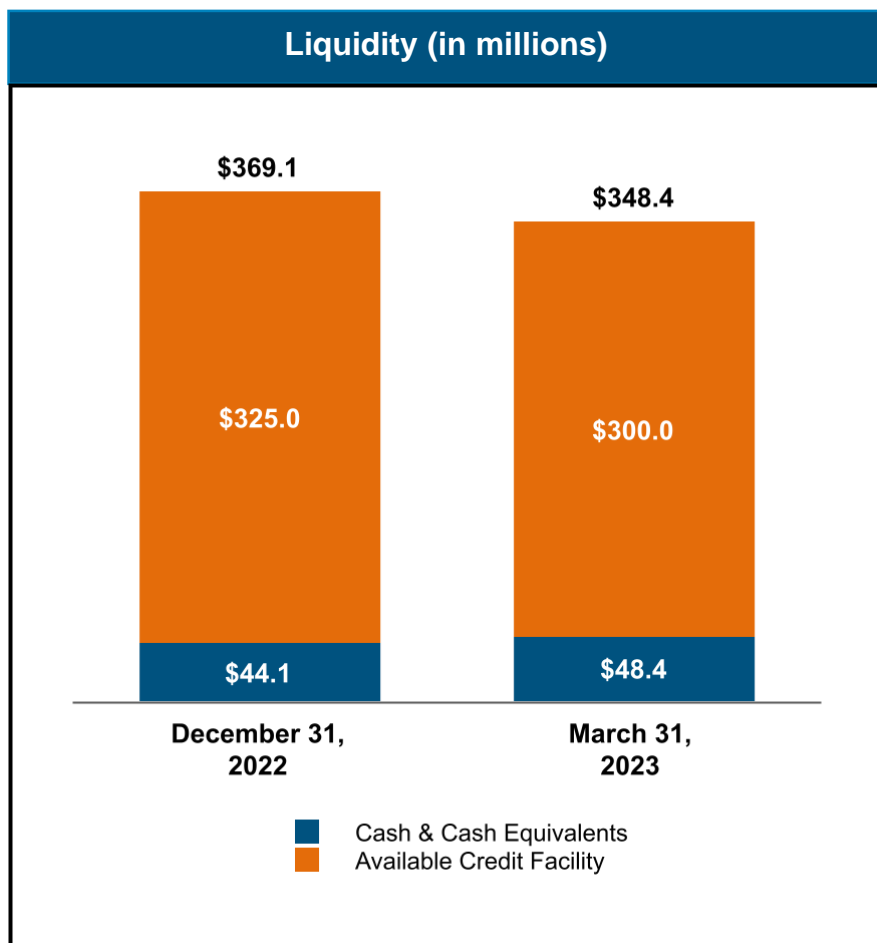
Tower Highlights - First Quarter Results



Consolidated Highlights - First Quarter Results



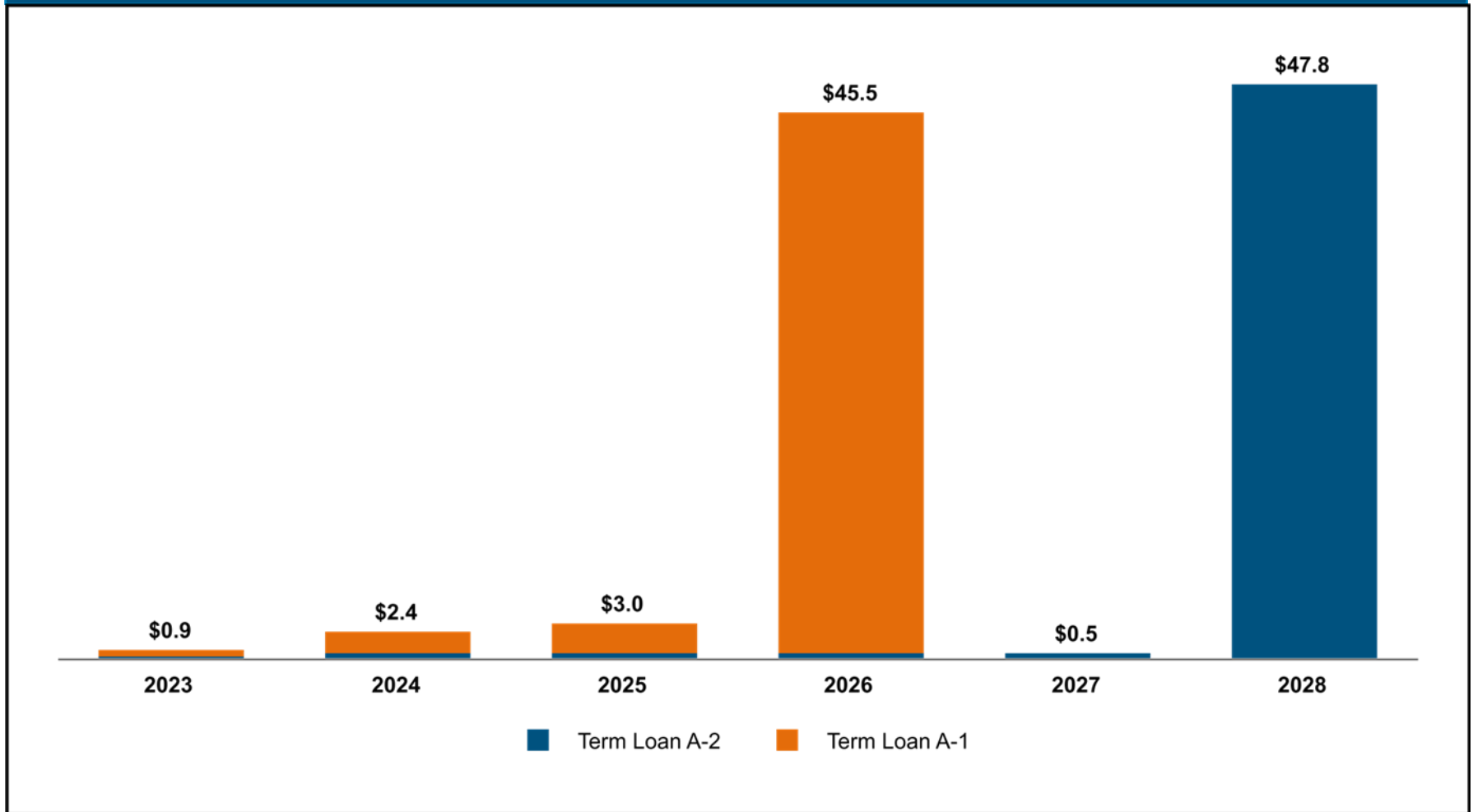
Liquidity & Free Cash Flow



- \$17 million in cash sale proceeds of certain spectrum assets likely to close by end of 3Q23

Debt Maturity & Other Liquidity Events

Debt Maturity (in millions)



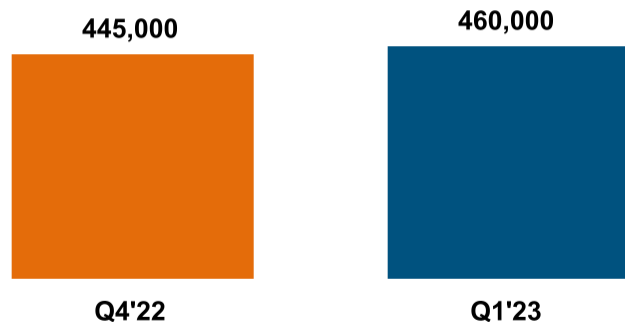


Ed McKay

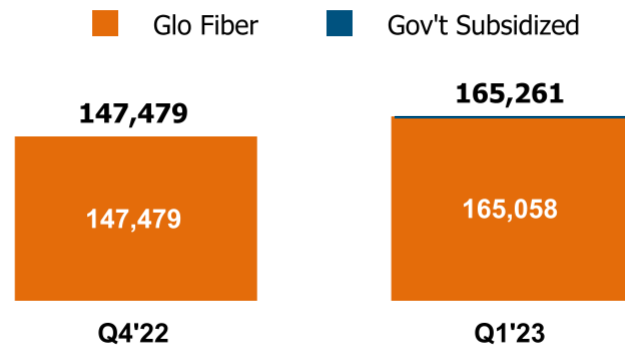
EVP and COO

Broadband - Fiber Construction Metrics

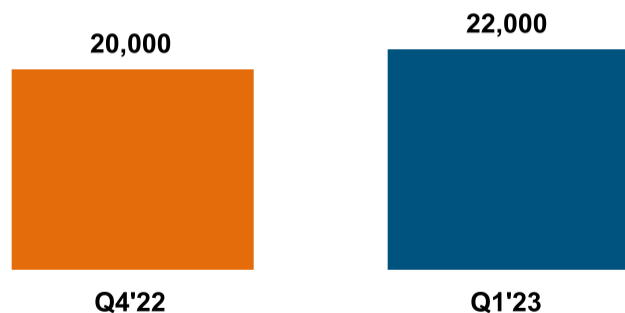
Glo Fiber Franchise Approved Passings



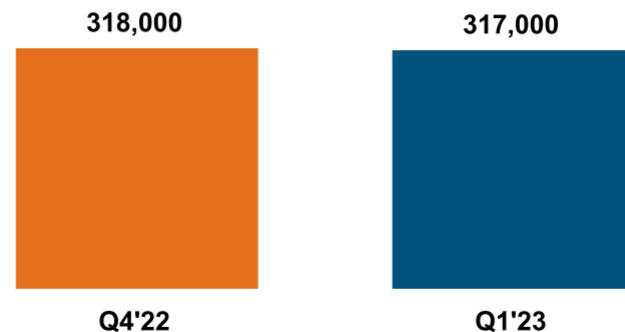
Fiber Passings Released to Sales



Government Grant Approved Fiber Passings¹

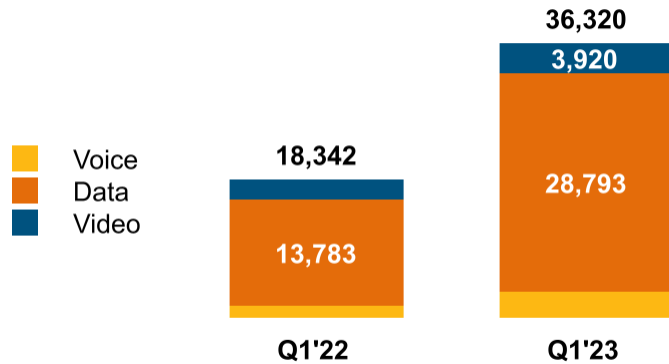


Total Fiber Construction Backlog Passings

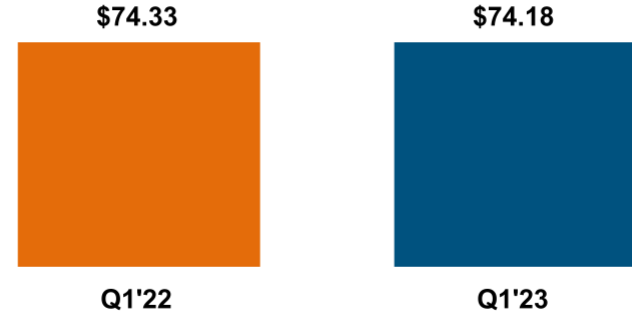


Broadband - Glo Fiber Operating Metrics

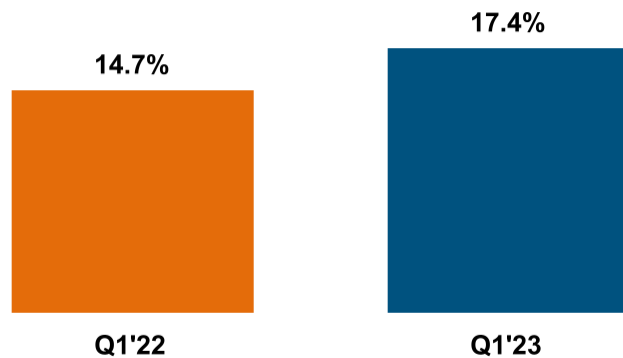
Revenue Generating Units (RGU)



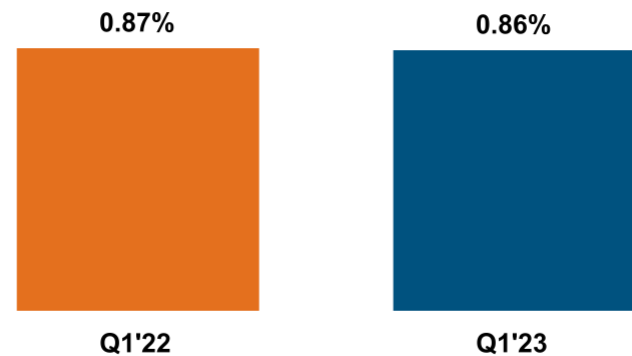
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration



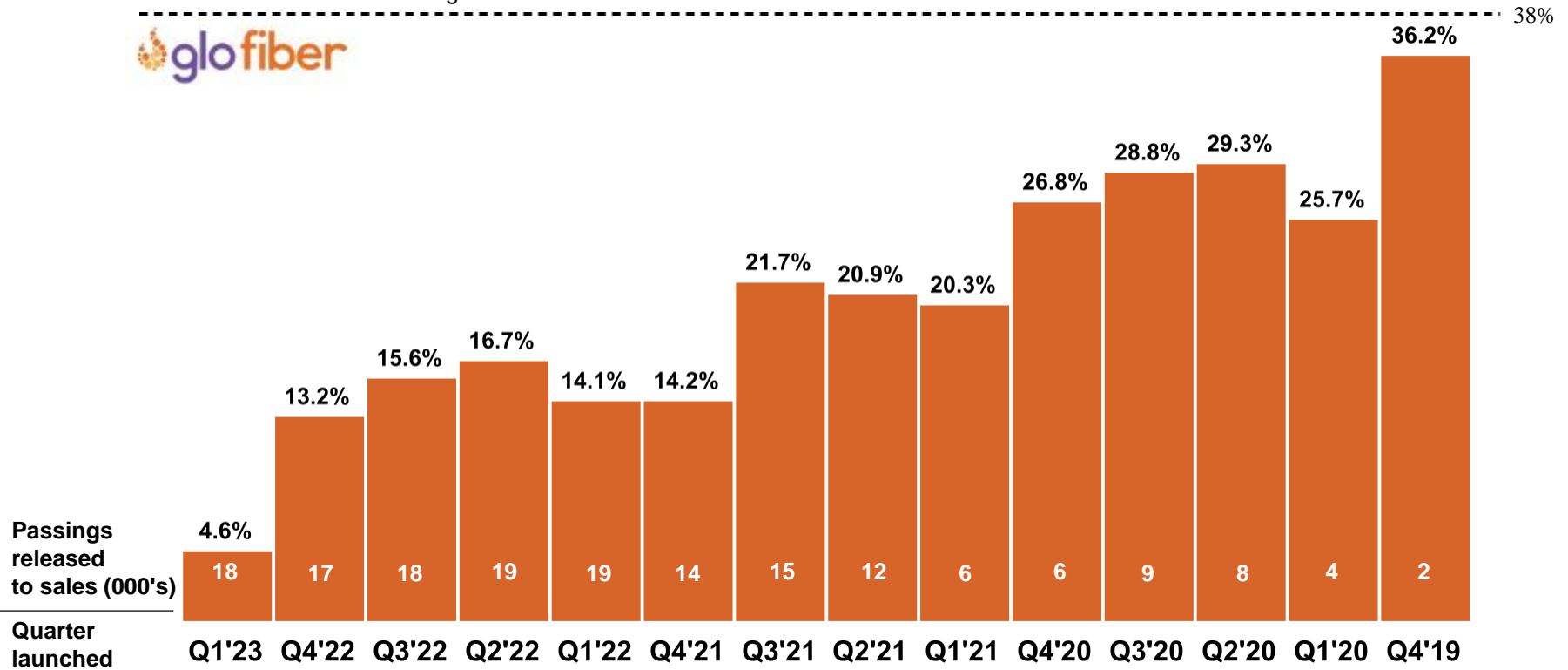
Broadband Data Churn



Vintage Glo Fiber Penetration

Vintage Glo Fiber Penetration¹

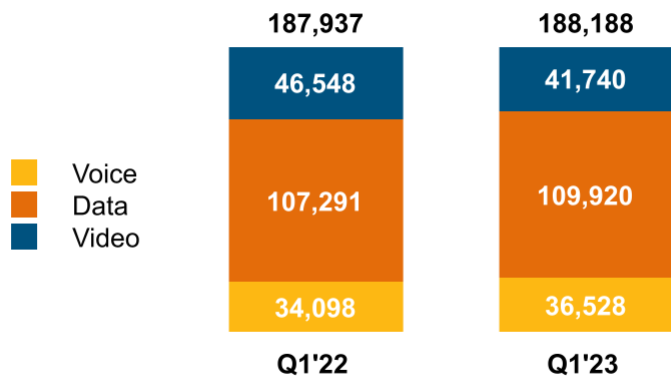
Avg. Terminal Penetration



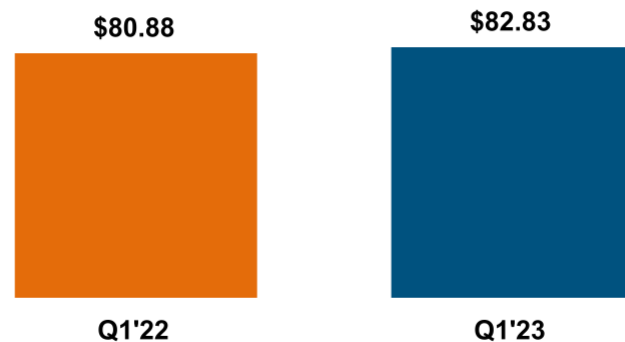
¹ Penetration rates as of 3/31/2023

Broadband - Cable Markets Metrics

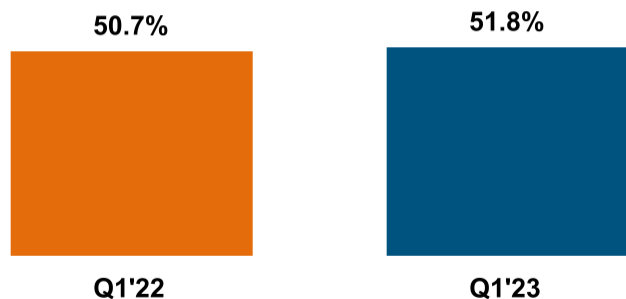
Revenue Generating Units (RGU)



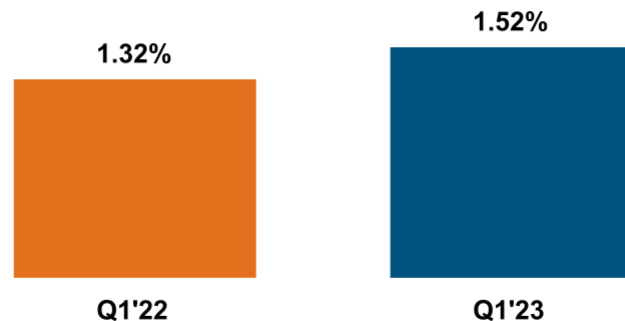
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

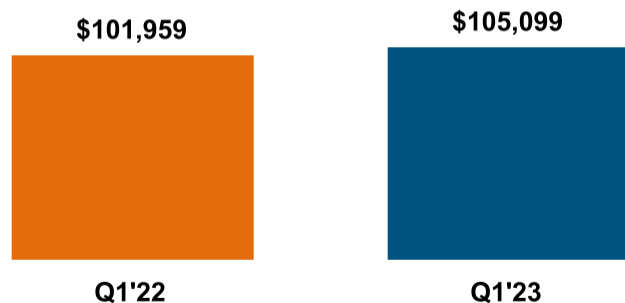


Broadband Data Churn

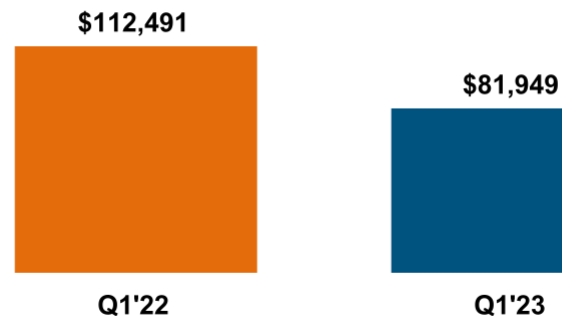


Broadband - Commercial Fiber Metrics

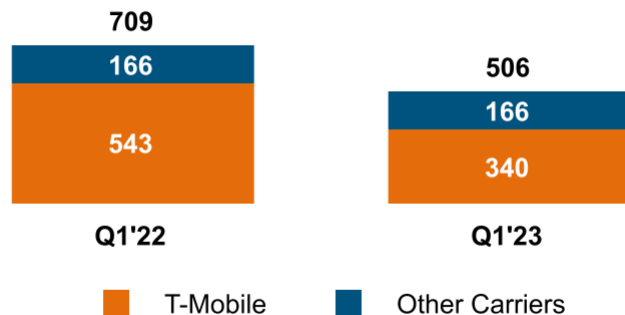
MRR & MAR Sales Bookings



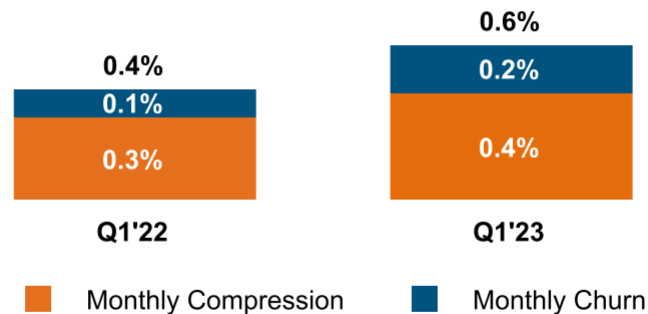
Installed MRR & MAR¹



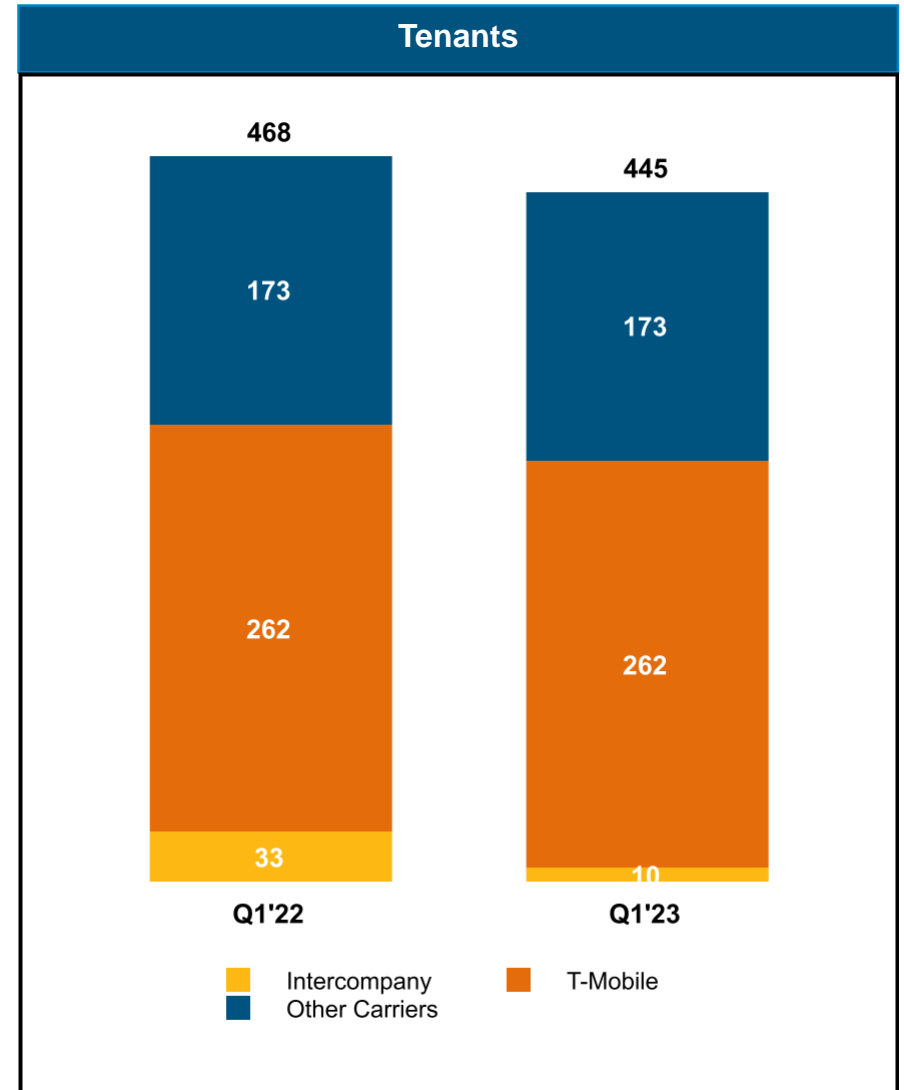
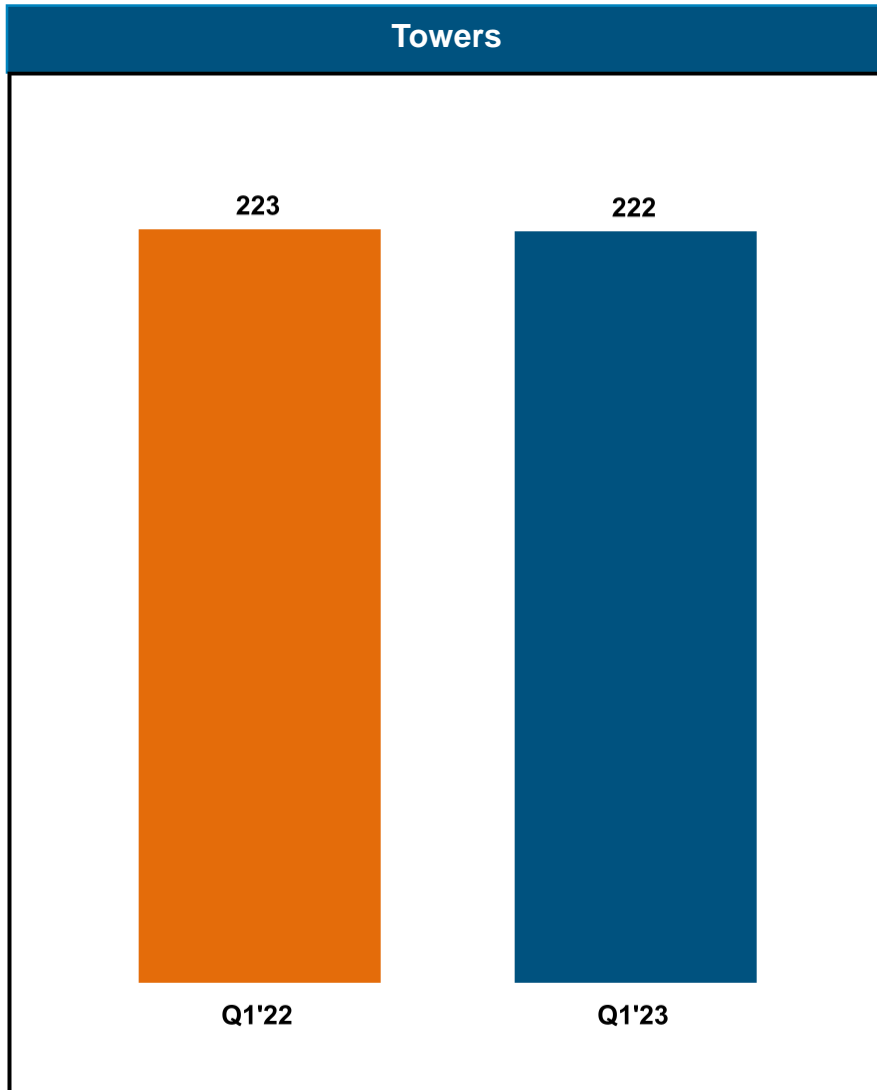
Backhaul Connections



Monthly Compression and Disconnect Churn²

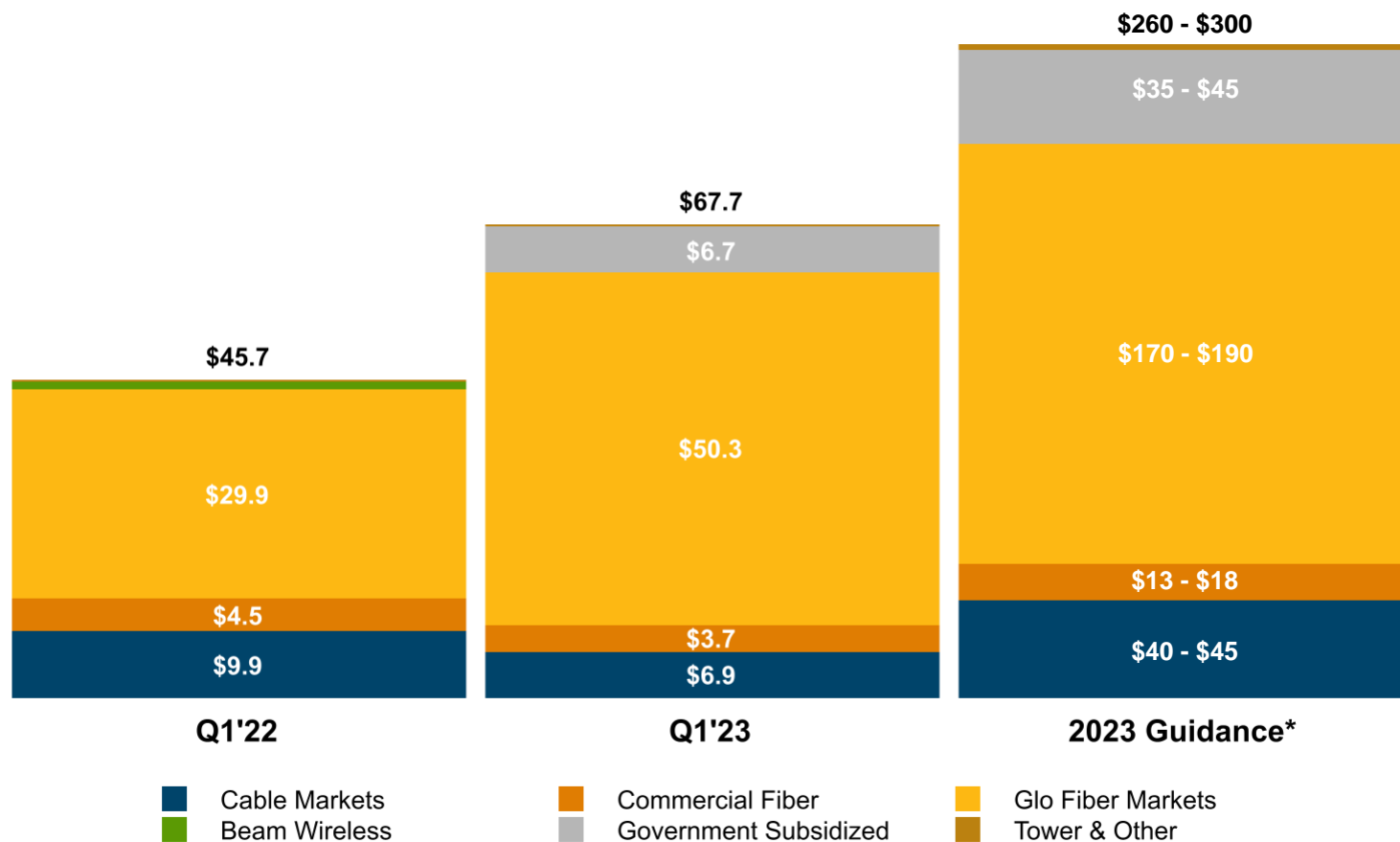


Tower - Metrics



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 - Quarterly Results

Three Months Ended March 31, 2023

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss)	\$ 11,274	\$ 2,421	\$ (11,629)	\$ 2,066
Depreciation and amortization	14,867	513	402	15,782
Impairment expense	—	—	—	—
Other expense (income), net	62	—	(1,179)	(1,117)
Income tax benefit	—	—	1,779	1,779
Stock-based compensation	—	—	3,717	3,717
Restructuring charges and other	131	—	—	131
Adjusted EBITDA	<u>\$ 26,334</u>	<u>\$ 2,934</u>	<u>\$ (6,910)</u>	<u>\$ 22,358</u>
Adjusted EBITDA margin	39 %	64 %	N/A	31 %

Three Months Ended March 31, 2022

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss)	\$ 8,127	\$ 2,753	\$ (11,483)	\$ (603)
Depreciation and amortization	12,876	484	1,324	14,684
Other expense (income), net	54	—	116	170
Income tax benefit	—	—	53	53
Stock-based compensation	—	—	3,143	3,143
Restructuring charges and other	17	—	(81)	(64)
Adjusted EBITDA	<u>\$ 21,074</u>	<u>\$ 3,237</u>	<u>\$ (6,928)</u>	<u>\$ 17,383</u>
Adjusted EBITDA margin	35 %	67 %	N/A	27 %

Broadband - Average Revenue per User (ARPU)

	For the first quarter ended,			
	2022		2023	
Residential & SMB Revenue (000's)				
Broadband	\$	28,649	\$	33,174
Cable Markets	\$	25,863	\$	27,273
Glo Fiber Markets	\$	2,786	\$	5,901
Video	\$	15,341	\$	14,645
Voice	\$	2,916	\$	3,030
Average Revenue Generating Units				
Broadband		119,083		136,271
Cable Markets		106,590		109,758
Glo Fiber Markets		12,493		26,513
Video		49,445		46,268
Voice		34,836		39,992
Average Revenue per User (ARPU)*				
Broadband	\$	80.11	\$	81.09
Cable Markets	\$	80.88	\$	82.83
Glo Fiber Markets	\$	74.33	\$	74.18
Video	\$	103.42	\$	105.51
Voice	\$	27.90	\$	25.25