



**SHENTEL®**

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**NASDAQ: SHEN**

**Shenandoah Telecommunications Company**  
**December 2022**

# 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:

- ❑ 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](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.

# Unique, High Growth Mid-Atlantic Broadband Provider

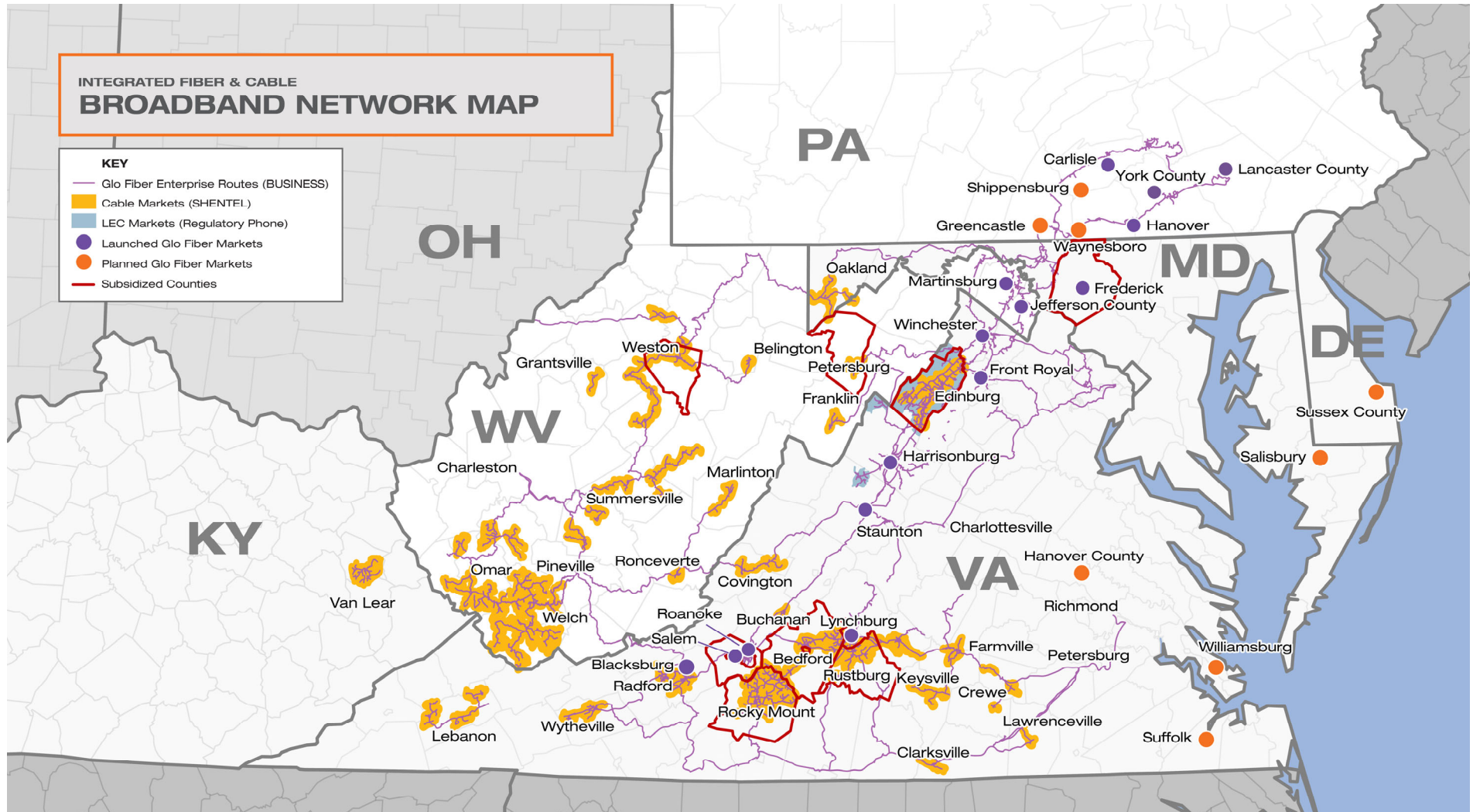
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- Entering Year 2 of Five-Year Growth Plan following transformative sale of wireless segment
- Rapidly growing greenfield Fiber-to-the-home (“FTTH”) platform
  - 131,000 passings and 21,000 customers in 15 Tier 3 / 4 markets<sup>1</sup>
  - \$20 million in annual run-rate revenue; 116% year over year growth<sup>1</sup>
  - Turned Adjusted EBITDA positive in third quarter 2022
  - Continuity in network leadership team since FTTH strategy launched in 2018
- Mature Incumbent Cable business
  - 212,000 passings and 109,000 customers<sup>1</sup>
  - Limited broadband competition due to lack of density and demographics
  - Generating free cash flow
- Complementary Commercial Fiber business
  - 15% of Broadband revenues<sup>1</sup>
  - High credit quality customers consisting of national carriers and education institutions
- Fully funded business plan and De-levered balance sheet
  - \$400 million of liquidity<sup>1</sup>
  - \$25 million in outstanding term loans<sup>1</sup>
  - No material debt maturities until 2026
  - Minimal interest expense impact due to rising interest rates in the short term





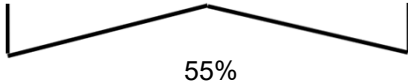


<sup>1</sup> As of 3Q 2022.

# Integrated Fiber and Cable Broadband Network



# Network Evolution to be Fiber Centric

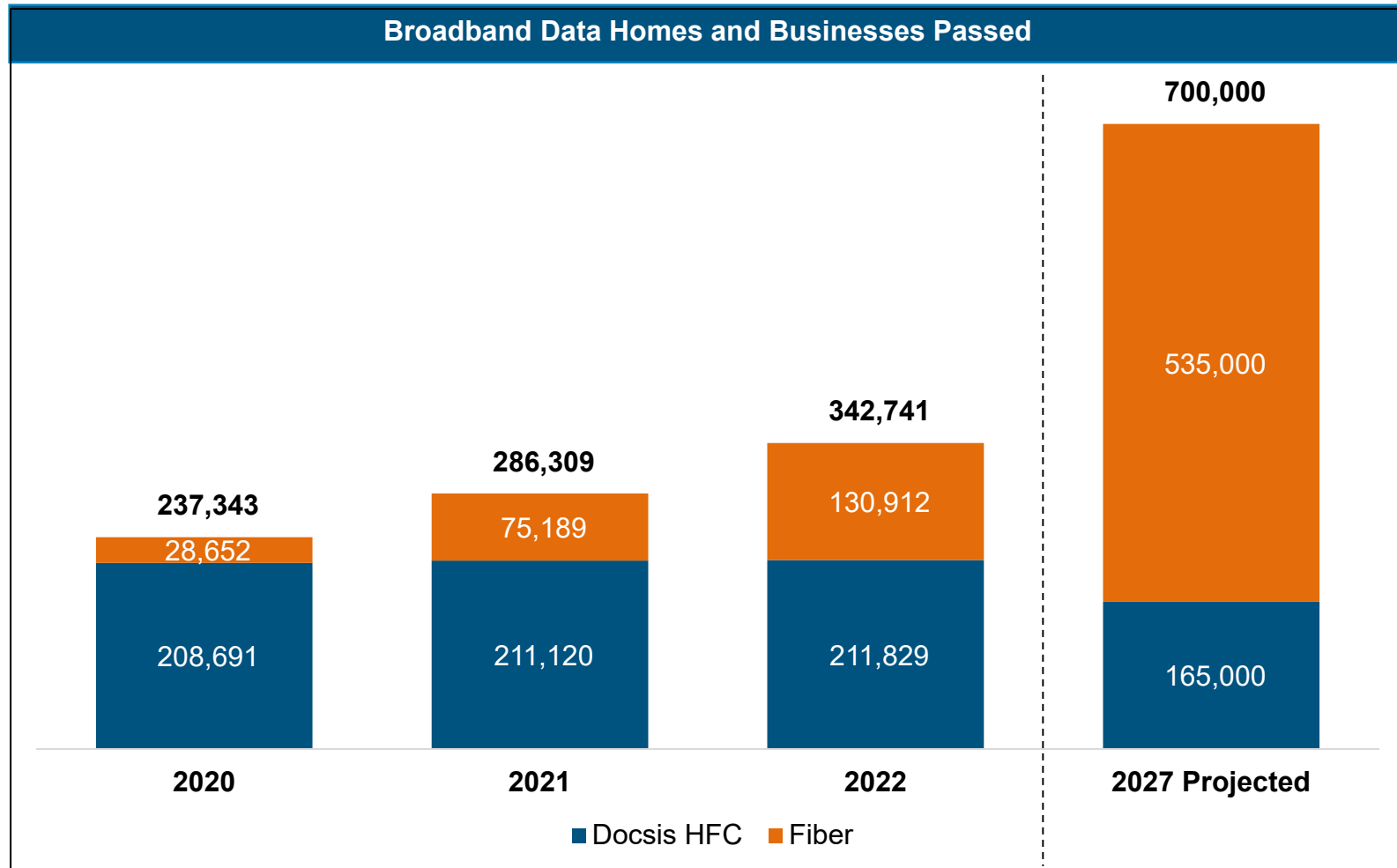
		 <b>SHENTEL®</b> Always connected to you	 <b>SHENTEL®</b> Always connected to you	 <b>glofiber</b>	 <b>SHENTEL®</b> Always connected to you
Target market dynamic	Shentel position	Incumbent cable	Fiber overbuilder of Shentel cable	Greenfield fiber overbuilder	Greenfield fiber incumbent
	Market type	Mostly rural	Dense incumbent markets	Higher density tier III / IV markets	Unserved rural
	Target Passing Current / 2027	212,000 / 165,000	0 / 55,000	131,000 / 450,000	0 / 30,000
	Projected Competition	>85% with no cable or fiber competition	~50% fiber or cable overbuilder	Incumbent cable and low-speed DSL	No cable or fiber competition
Shentel offering and KPIs	Network technology Current / 2027	DOCSIS 3.1 HFC / DOCSIS HFC 3.1 & 4.0	DOCSIS 3.1 HFC / XGS-PON FTTH	XGS-PON FTTH	XGS-PON FTTH
	Max downstream speeds Current / 2027	1.2 Gbps / 2 - 5 Gbps	1.2 Gbps / 10 Gbps	2 Gbps / 10 Gbps	2 Gbps / 10 Gbps
	Government Grants Available	n/a	n/a	n/a	VATI American Rescue Plan Infrastructure Investment & Jobs Act RDOF
	Cost per passing	\$250 - \$350*	\$475 - \$575	\$1,000 - \$1,400	\$2,900 - \$3,300 **
	Terminal penetration	 55%		38%	65%



\*Represents cost to upgrade to mid-split and high split/DOCSIS 4.0 HFC

\*\* Represents cost to pass net of government grants

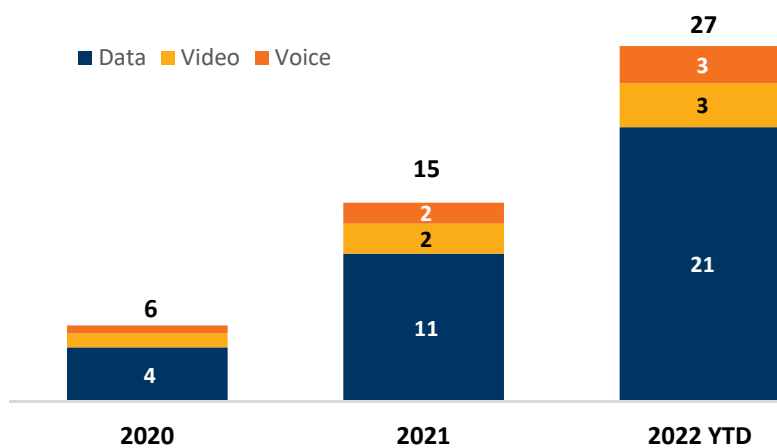
## Broadband network rapidly becoming fiber dominant



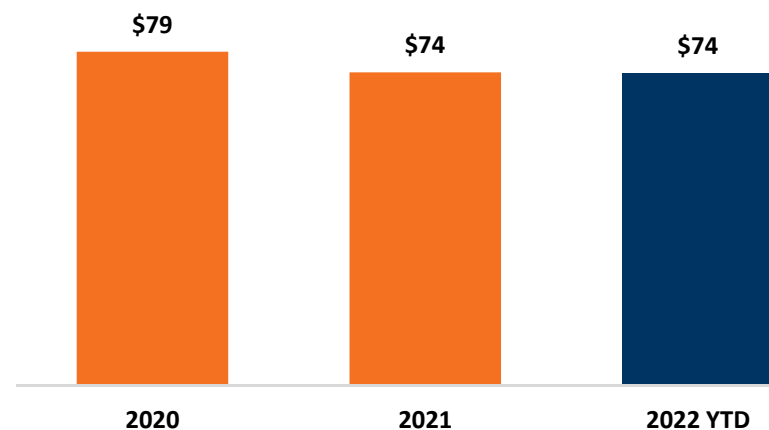
# Glo Fiber metrics consistent with investment thesis

Revenue Generating Units (RGUs in 000s)

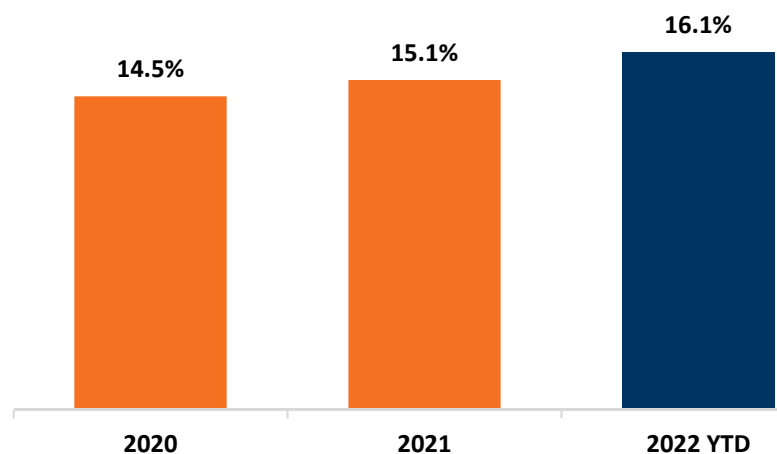
■ Data ■ Video ■ Voice



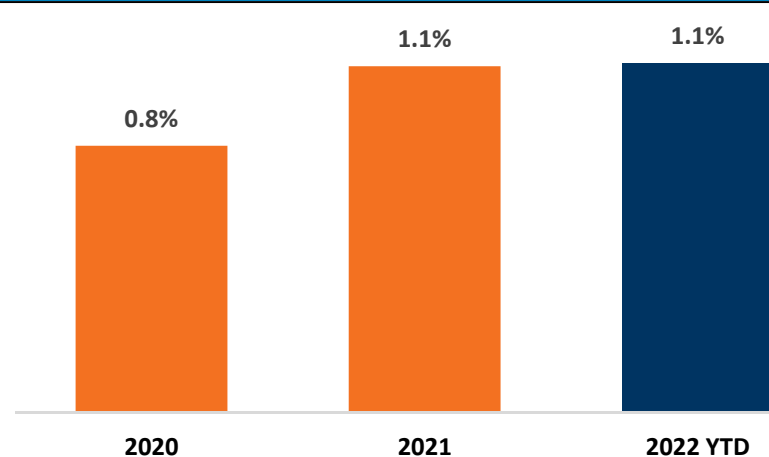
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

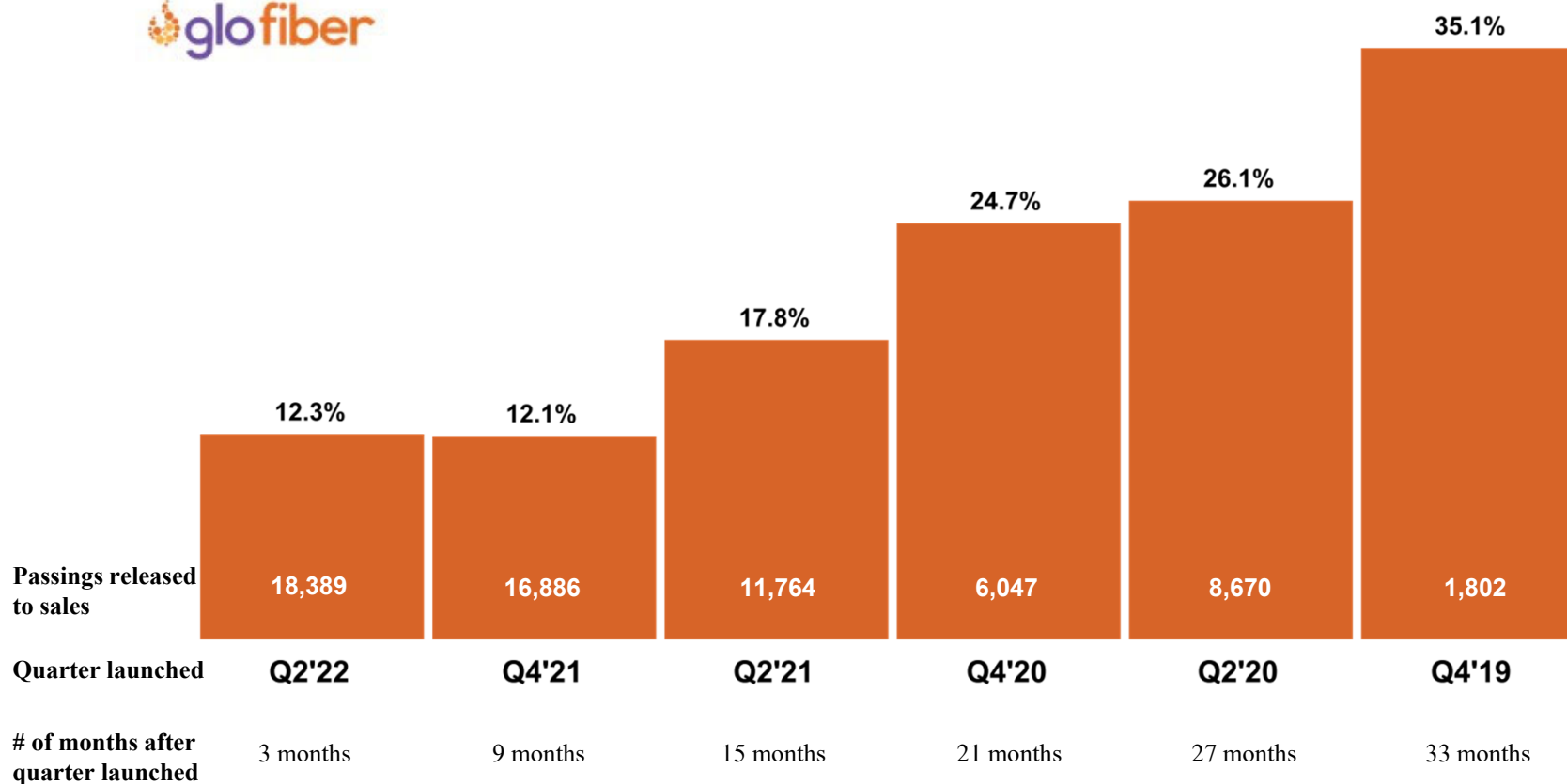


Broadband Data Churn



# Vintage Glo Fiber Penetration

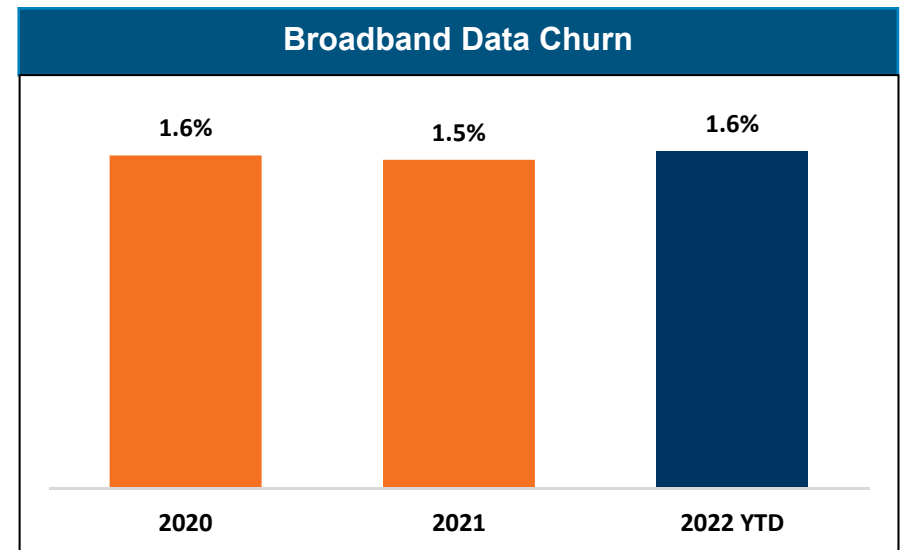
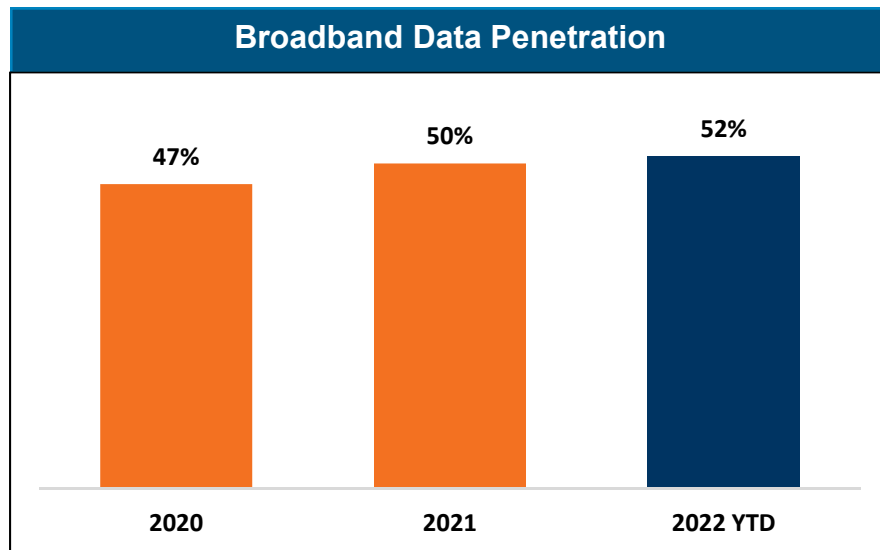
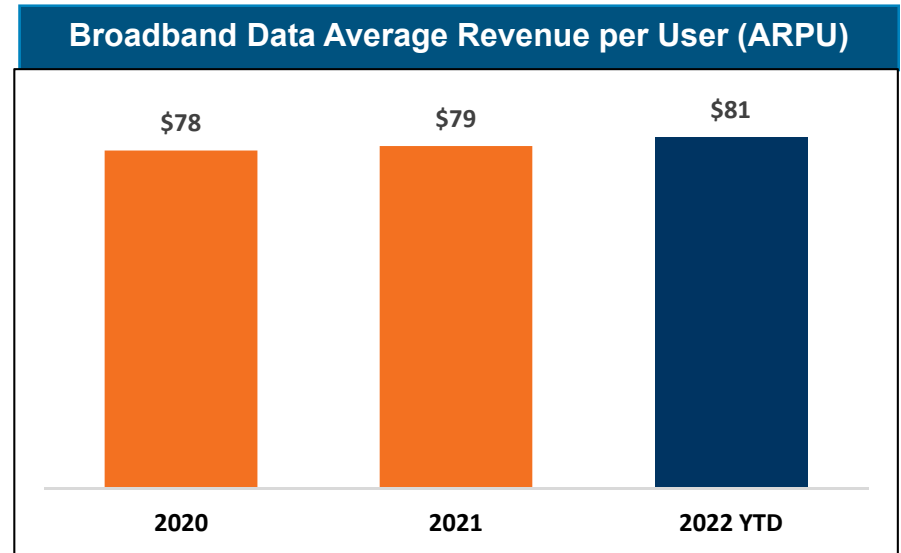
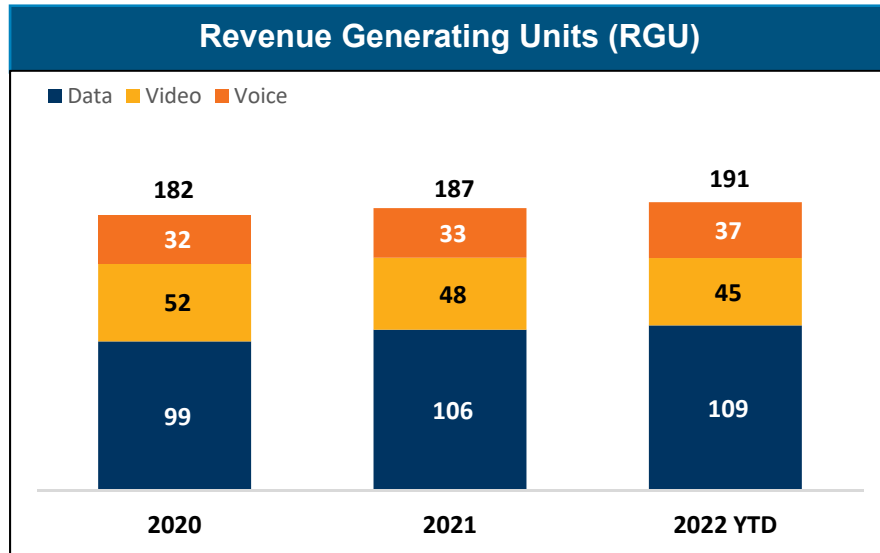
## Vintage Glo Fiber Penetration<sup>1</sup>



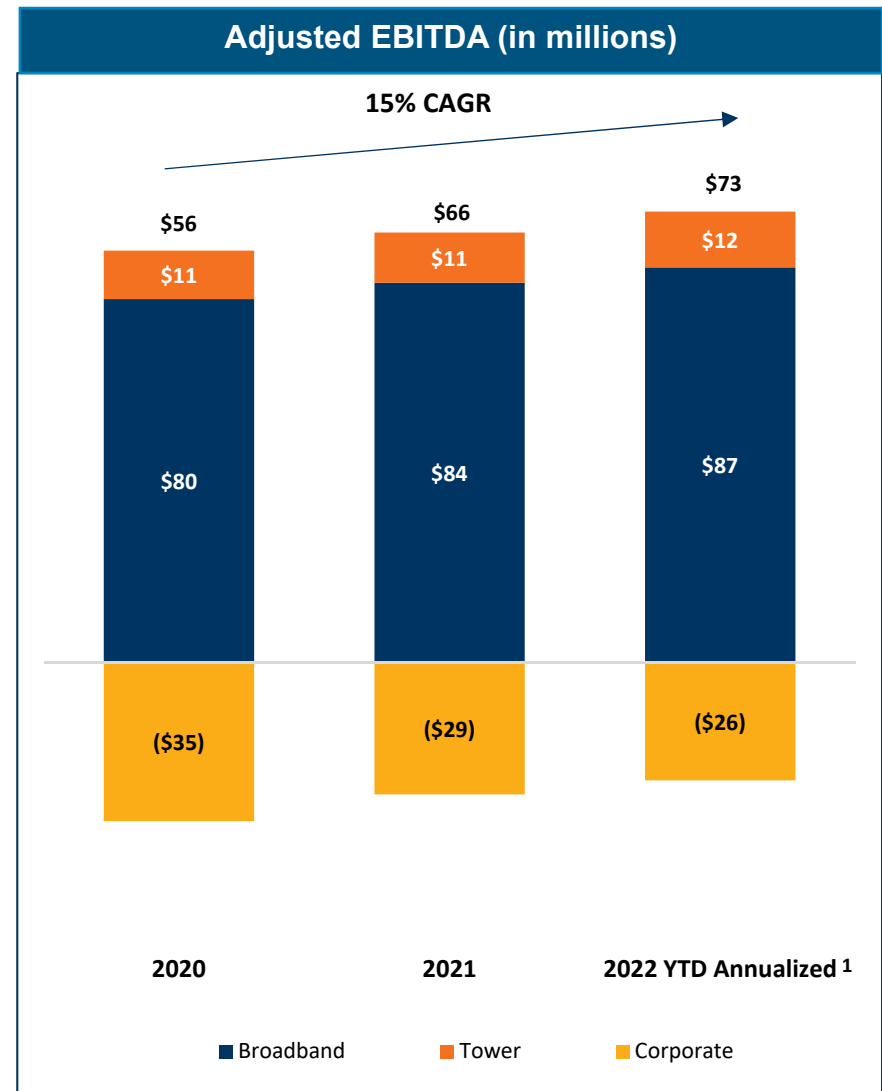
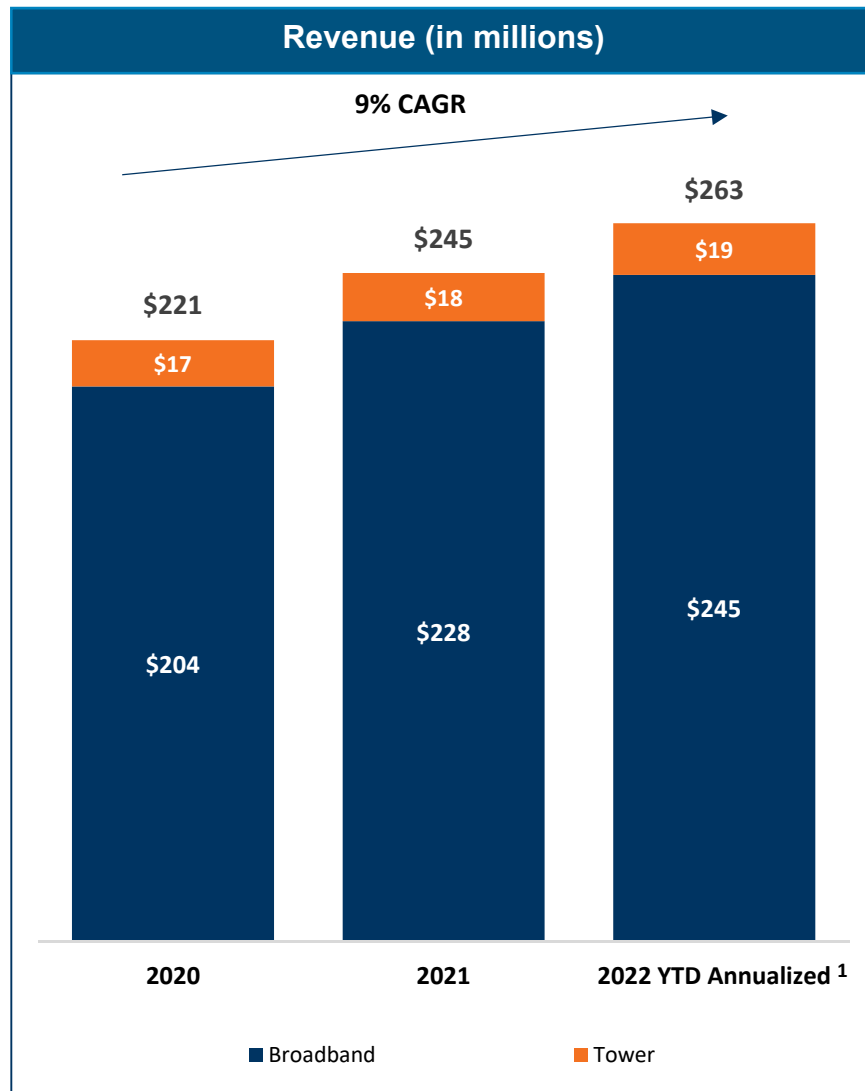
<sup>1</sup> Penetration rates as of 9/30/2022



# Key Incumbent Cable metrics trending well



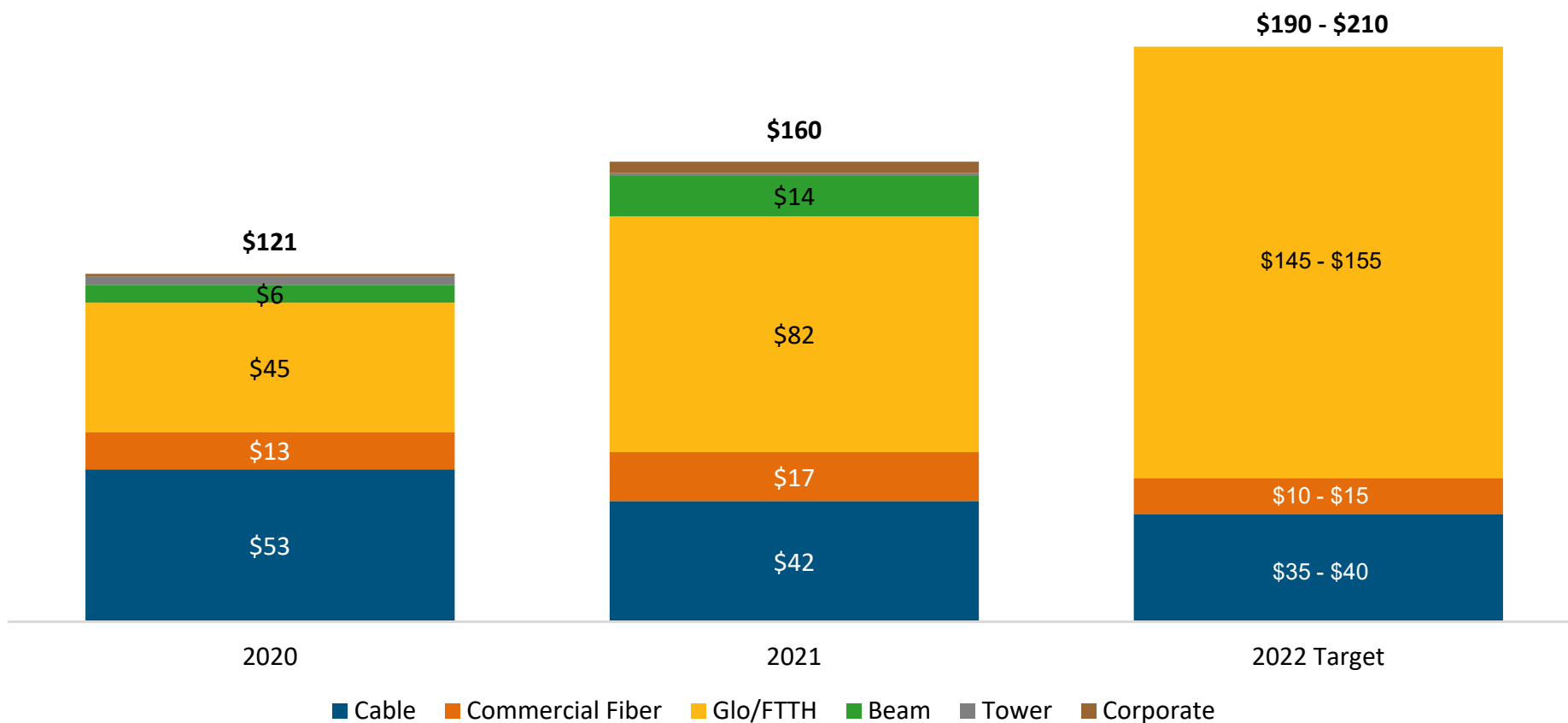
# Proven track record of strong growth



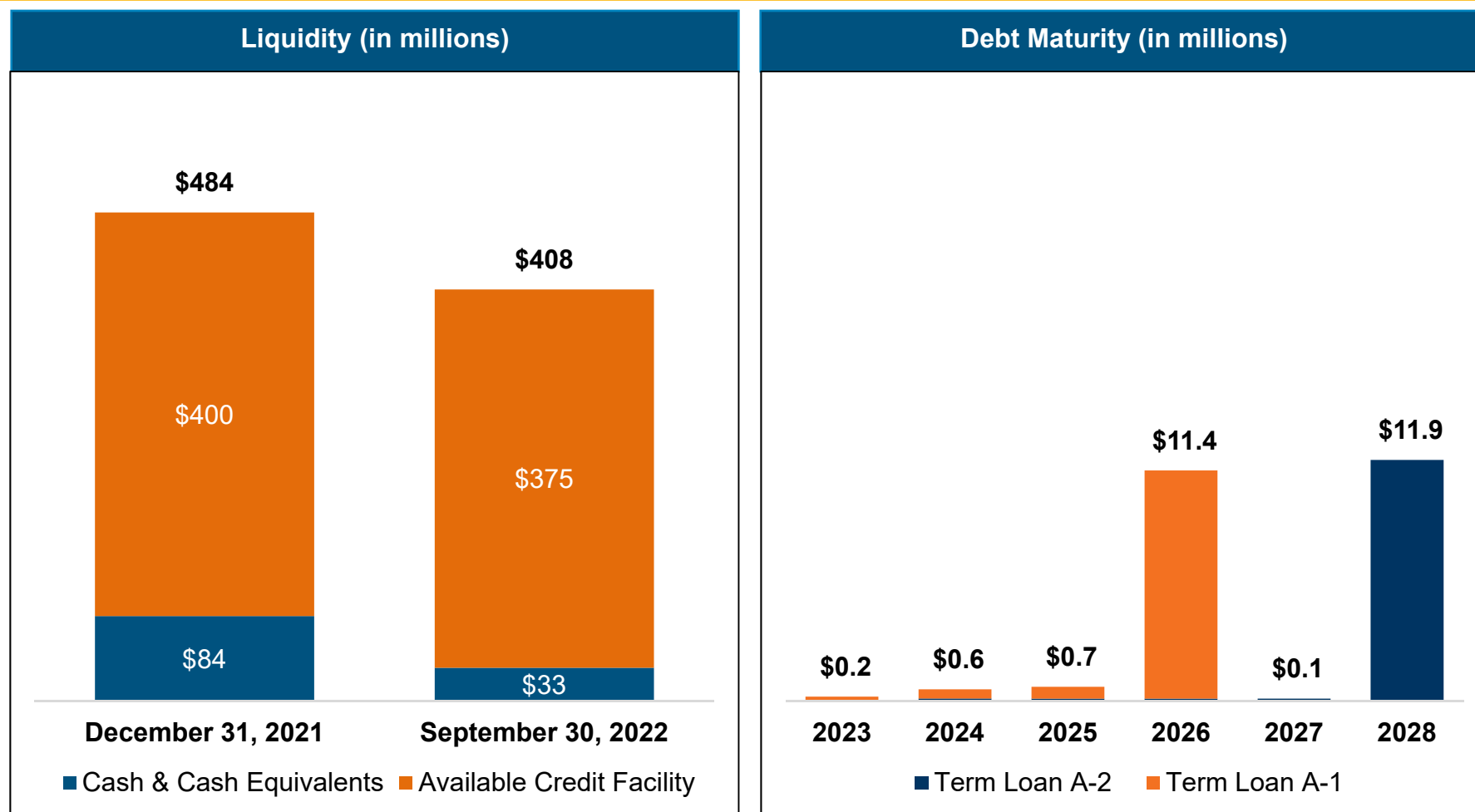
<sup>1</sup> Represents year-to-date financial results through 9/30/22 divided by 9 and multiplied by 12. Consolidated revenue includes elimination of intercompany activity.

# Investing for a Fiber First future

## Capex Spending (\$ in millions)



# Liquidity & Debt Maturities



# Q&A

# Appendix

Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with US generally accepted accounting principles. These financial performance measures are not indicative of cash provided or used by operating activities and exclude the effects of certain operating, capital and financing costs and may differ from comparable information provided by other companies, and they should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with US generally accepted accounting principles. Management believes these measures facilitate comparisons of our operating performance from period to period and comparisons of our operating performance to that of our peers and other companies by excluding certain differences. Shentel utilizes these financial performance measures to facilitate internal comparisons of our historical operating performance, which are used by management for business planning purposes, and also facilitates comparisons of our performance relative to that of our competitors. In addition, we believe these measures are widely used by investors and financial analysts as measures of our financial performance over time, and to compare our financial performance with that of other companies in our industry.

## 2022 Adjusted EBITDA by Segment

YTD Period Ending September 30, 2022

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss) from continuing operations	\$ 16,921	\$ 7,628	\$ (31,105)	\$ (6,556)
Depreciation and amortization	42,724	1,562	2,722	47,008
Impairment expense	4,884	-	-	4,884
Other expense (income), net	177	-	1,790	1,967
Income tax benefit	-	-	(699)	(699)
Stock-based compensation	-	-	7,299	7,299
Restructuring charges and other	629	-	402	1,031
Adjusted EBITDA	<u>\$ 65,335</u>	<u>\$ 9,190</u>	<u>\$ (19,591)</u>	<u>\$ 54,934</u>

*Divided by 9 Multiplied by 12*

<b>Adjusted EBITDA 9/30/2022 YTD Annualized</b>	<u><b>\$ 87,113</b></u>	<u><b>\$ 12,253</b></u>	<u><b>\$ (26,121)</b></u>	<u><b>\$ 73,245</b></u>
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## 2021 & 2020 Adjusted EBITDA by Segment

### Year Ended December 31, 2021

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss) from continuing operations	\$ 28,571	\$ 9,016	\$ (29,658)	\$ 7,929
Depreciation and amortization	47,937	2,053	5,216	55,206
Impairment expense	5,986	-	-	5,986
Other expense (income), net	261	-	(8,926)	(8,665)
Income tax benefit	-	-	(1,694)	(1,694)
Stock-based compensation	-	-	3,408	3,408
Restructuring charges and other	924	6	2,626	3,556
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) from continuing operations	\$ 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 benefit	-	-	(990)	(990)
Stock-based compensation	-	-	5,907	5,907
Restructuring charges and other	101	-	3,679	3,780
Adjusted EBITDA	\$ 80,084	\$ 10,729	\$ (35,024)	\$ 55,789

	<b>2020</b>	<b>2021</b>	<b>2022 Q3 YTD</b>
Incumbent Cable			
Data Residential & SMB Revenue (\$000's)	\$85,127	\$97,848	\$78,488
Average Revenue Generating Units	90,983	103,216	107,603
Average Revenue per User (ARPU)	\$77.97	\$79.00	\$81.05
Glo Fiber			
Data Residential & SMB Revenue (\$000's)	\$1,576	\$6,586	\$10,399
Average Revenue Generating Units	1,665	7,415	15,668
Average Revenue per User (ARPU)	\$78.90	\$74.02	\$73.74