



Q3 2022

Earnings Conference Call

November 2, 2022

Safe Harbor Statement

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, regarding our business strategy, our prospects and our financial position. These statements can be identified by the use of forward-looking terminology such as “believes,” “estimates,” “expects,” “intends,” “may,” “will,” “should,” “could” or “anticipates” or the negative or other variation of these similar words, or by discussions of strategy or risks and uncertainties. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company’s expectations and projections. Important factors that could cause actual results to differ materially from such forward-looking statements include, without limitation, risks related to the following:

- ❑ Intensifying competition in the communications industry;
- ❑ 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

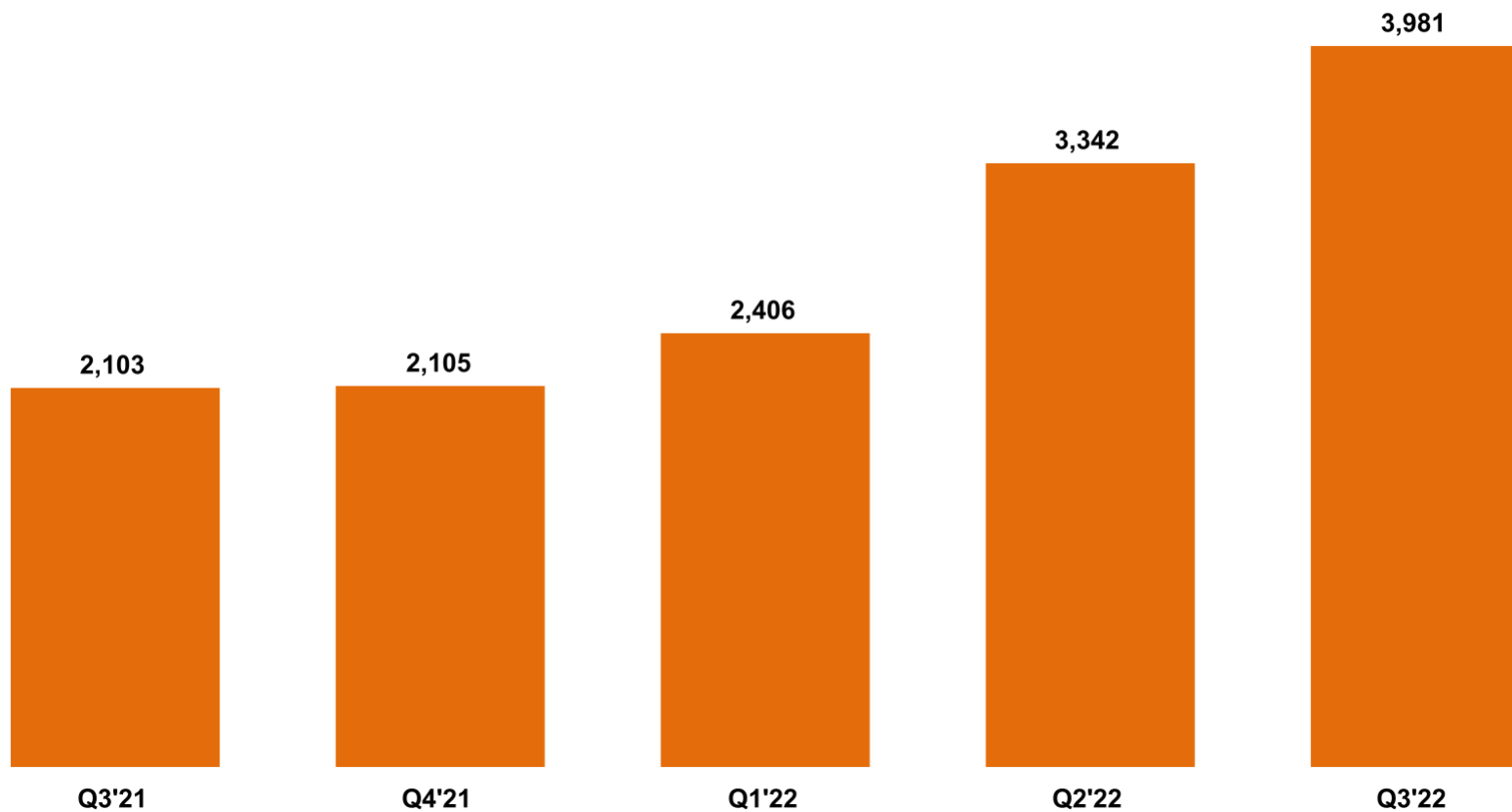
President and CEO

Well Positioned in Current Environment

- Growing data subscribers and revenues
- Winning market share against Cable
- Strong momentum in expanding greenfield Fiber-to-the-home (“FTTH”) network
- Ability to successfully execute growth plan
 - Continuity in network leadership team since FTTH strategy launched in 2018
 - 6 to 9 months of fiber and network equipment inventory on hand
 - Long-standing and strong relationships with outside plant contractors
- \$400 million of liquidity
 - Fully funded business plan
 - No material debt maturities until 2026
- De-levered balance sheet plus non-core tower assets
 - \$25 million in outstanding term loans as of 9/30/22
 - Minimal interest expense impact due to rising interest rates in the short term
 - Possible opportunistic M&A

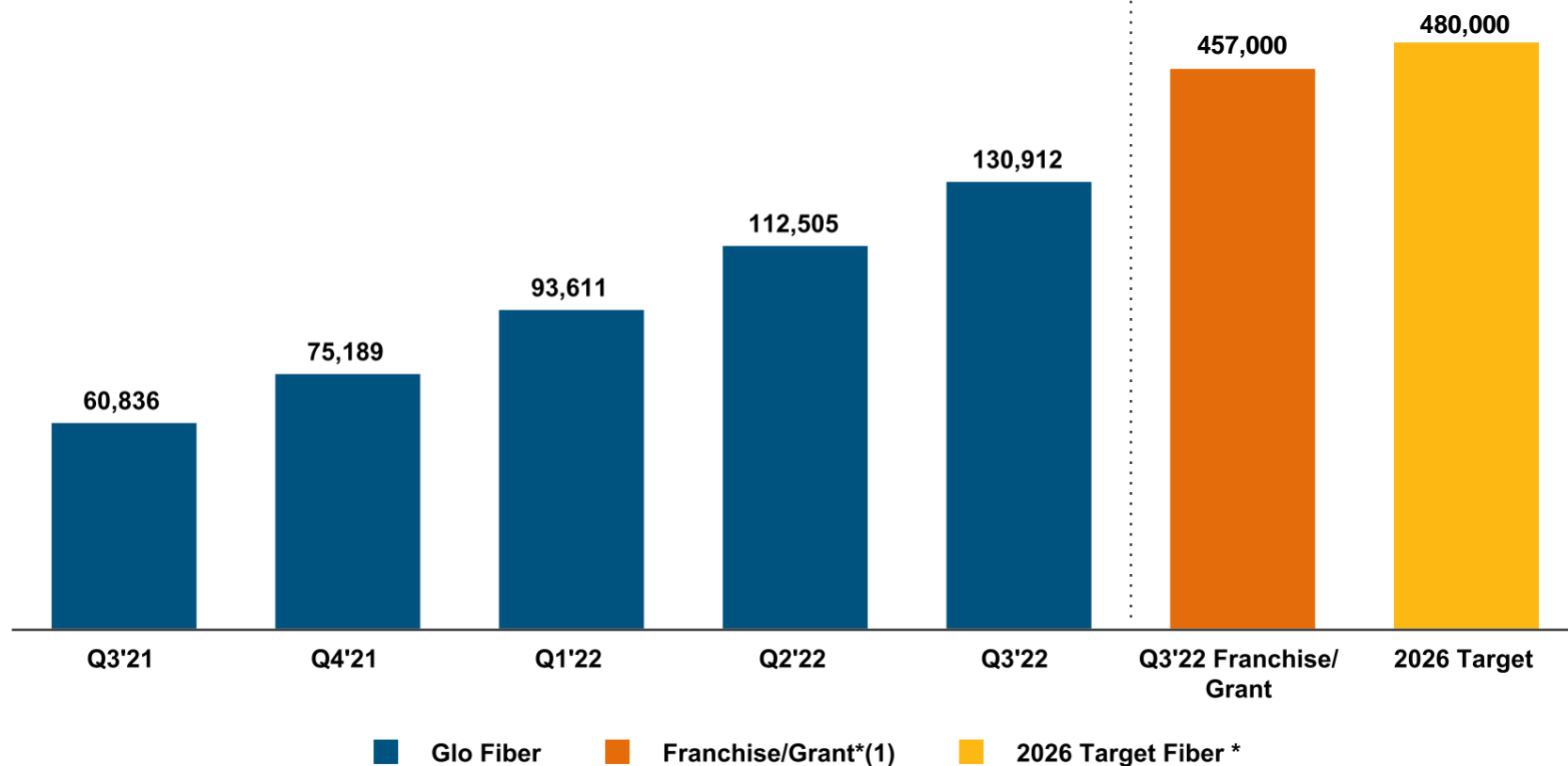
Accelerating Glo Fiber Net Additions

Glo Fiber Data Net Additions



Clear Visibility in Fiber Network Expansion

Fiber Network Home and Business Passings



*Q3'22 Franchise/Grant Passings and 2026 Target figures are not presented in-scale with Glo Fiber passings.

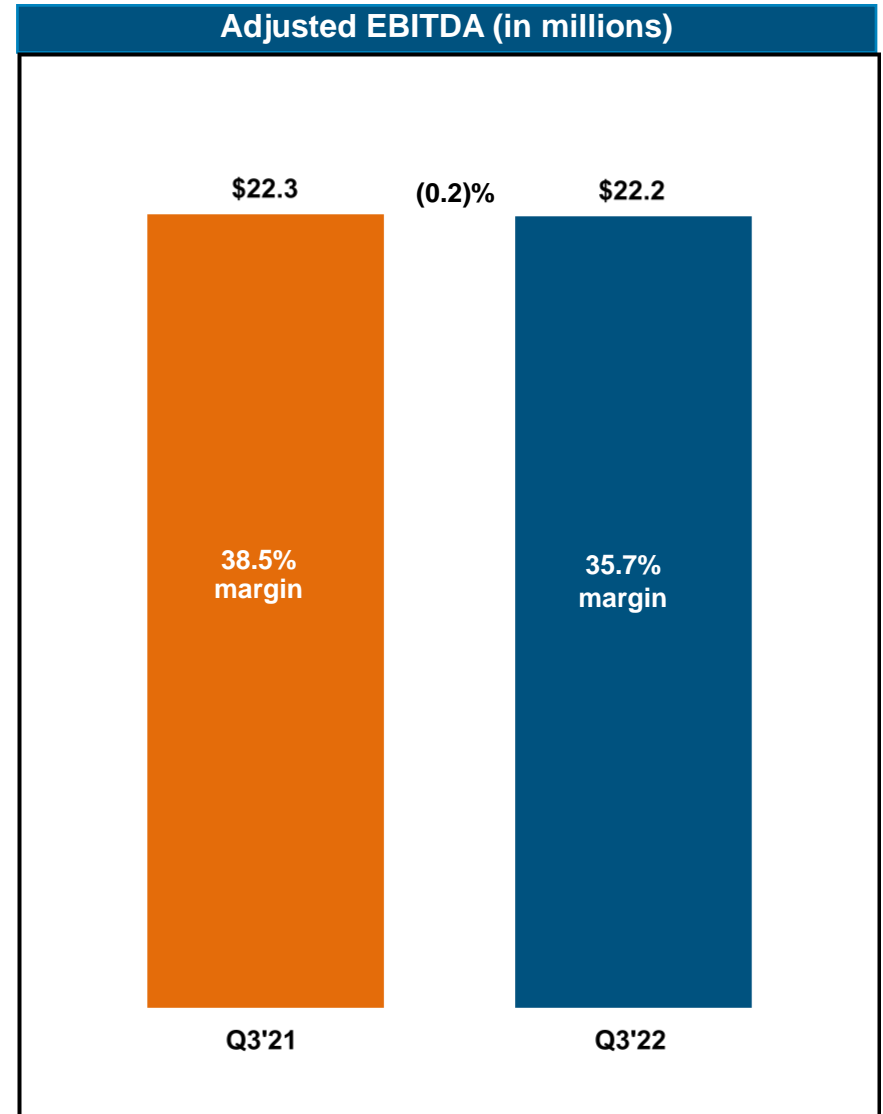
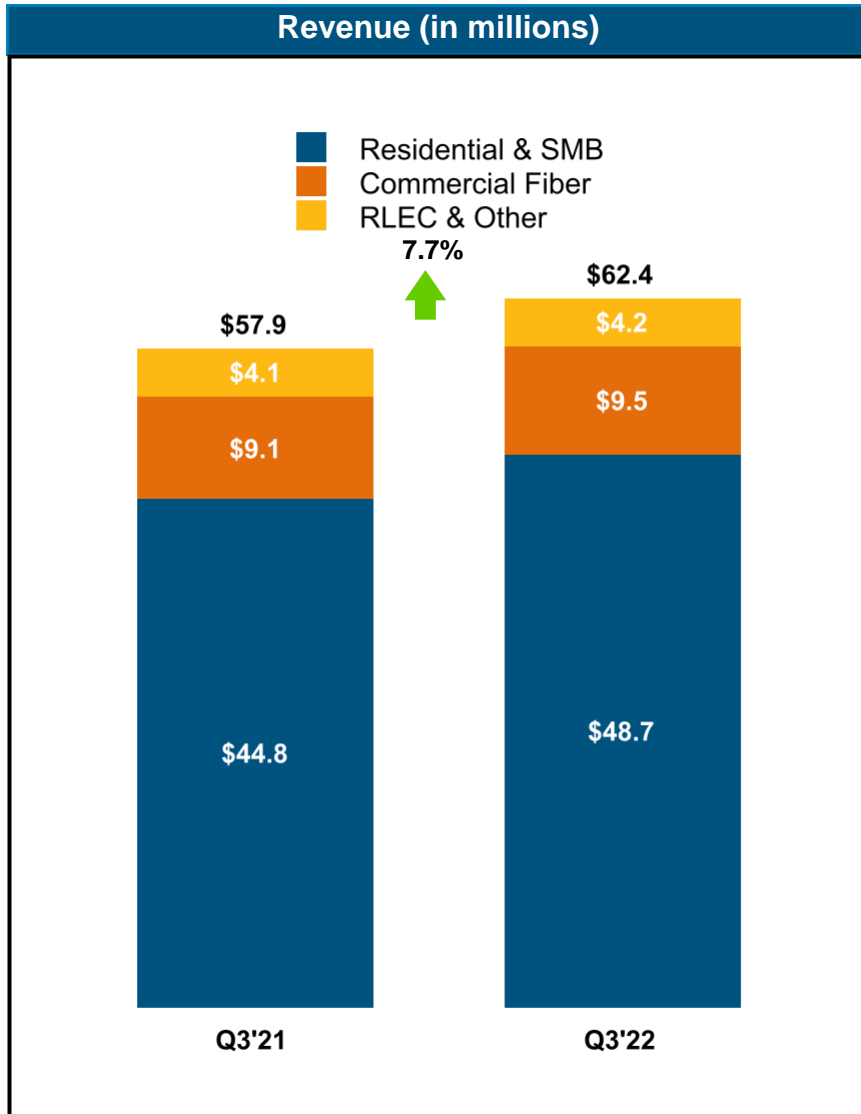
(1)Represents 438,000 passings under Glo Fiber franchise agreements and 19,000 unserved homes to be built with government grant awards.



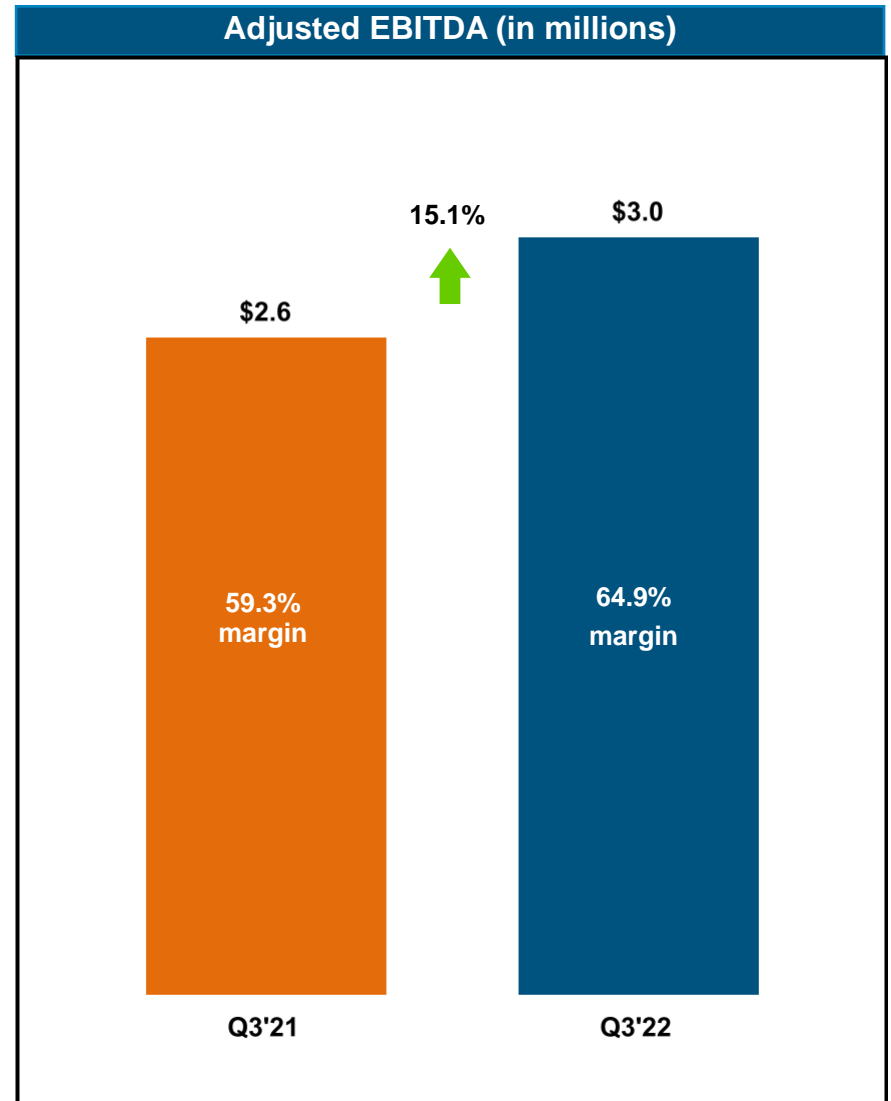
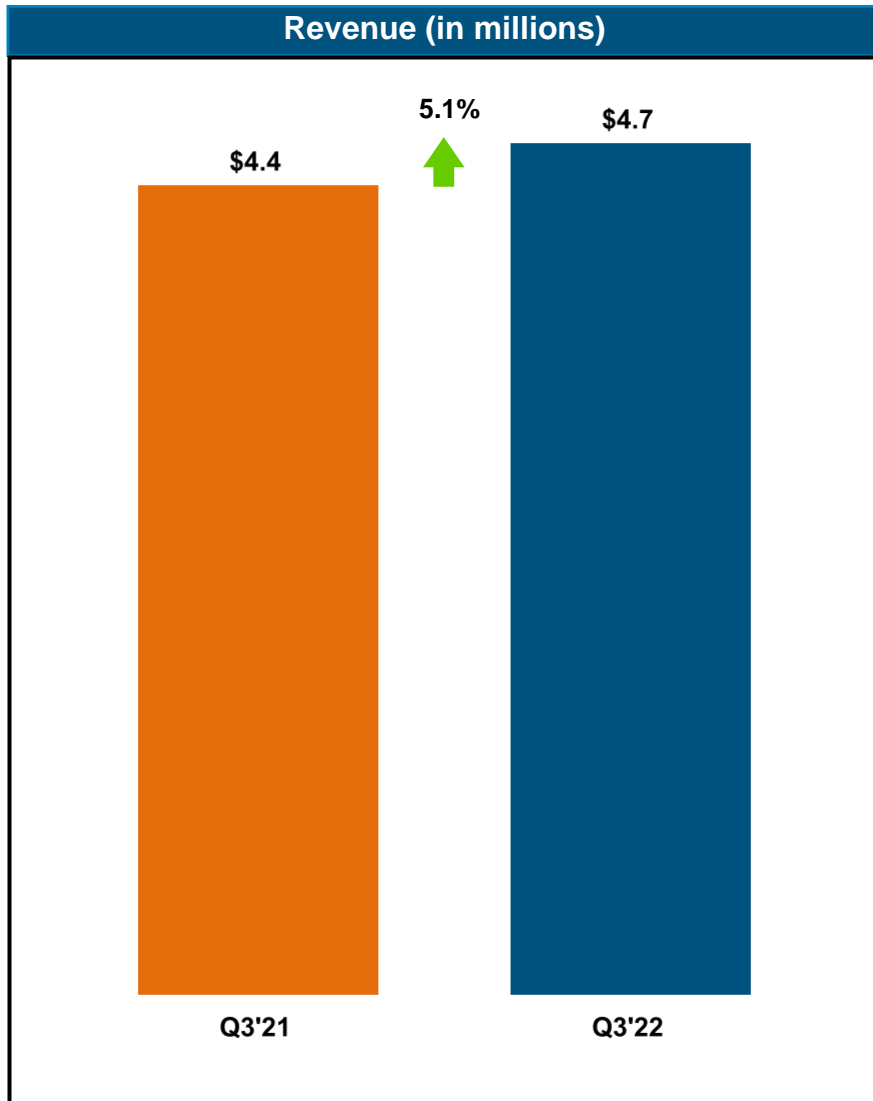
Jim Volk

SVP of Finance and CFO

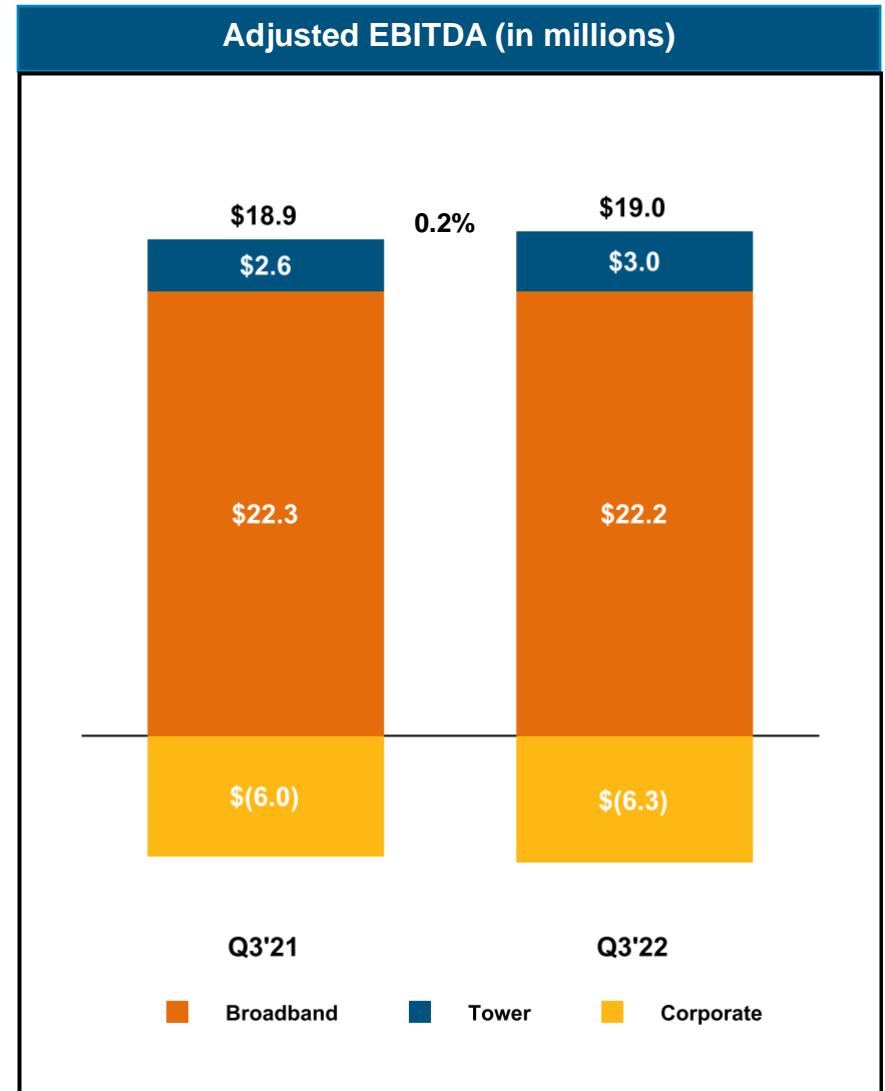
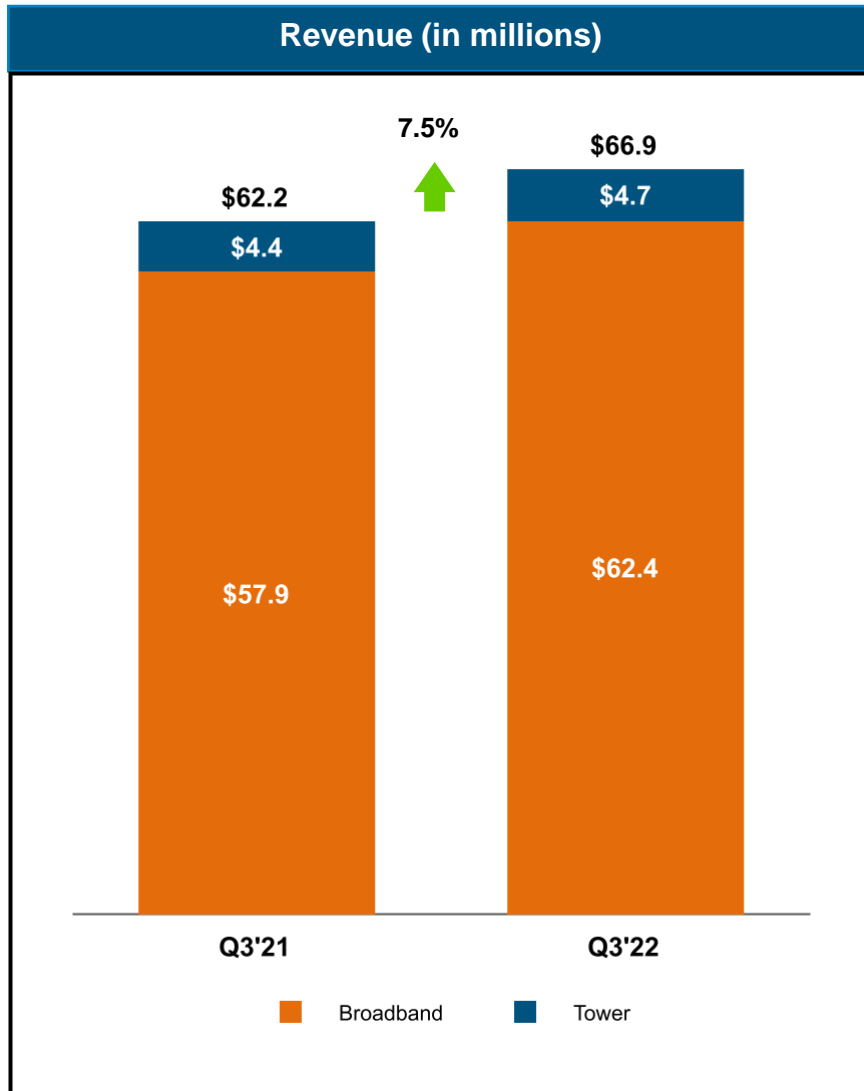
Broadband Highlights - Third Quarter Results



Tower Highlights - Third Quarter Results



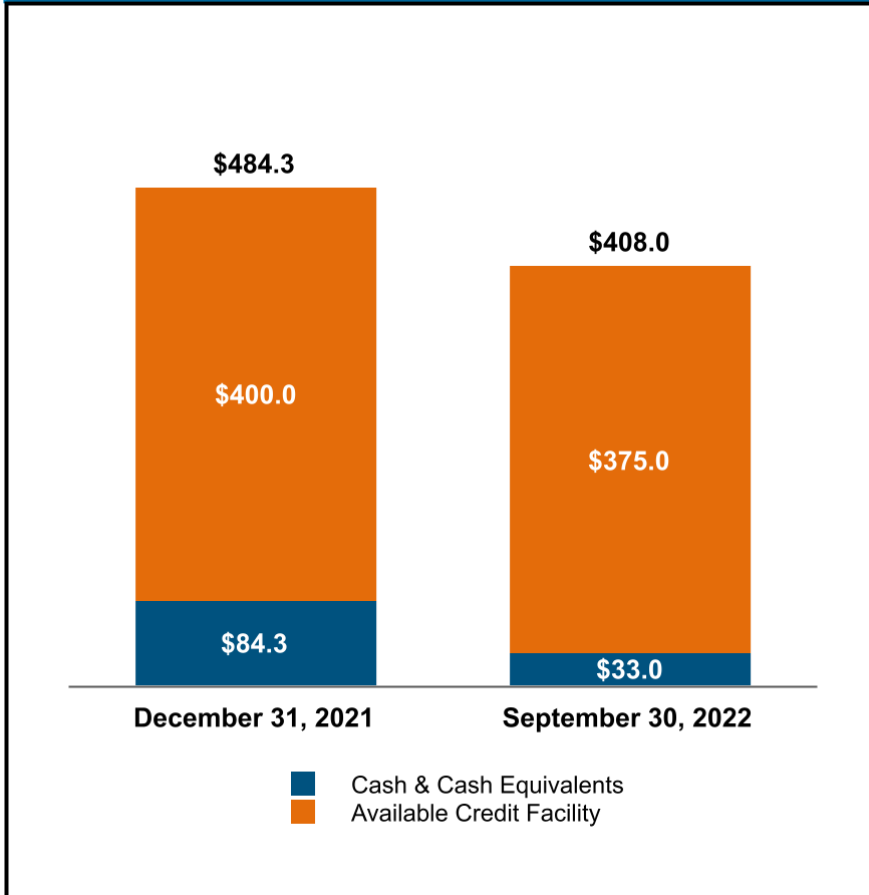
Consolidated Highlights - Third Quarter Results



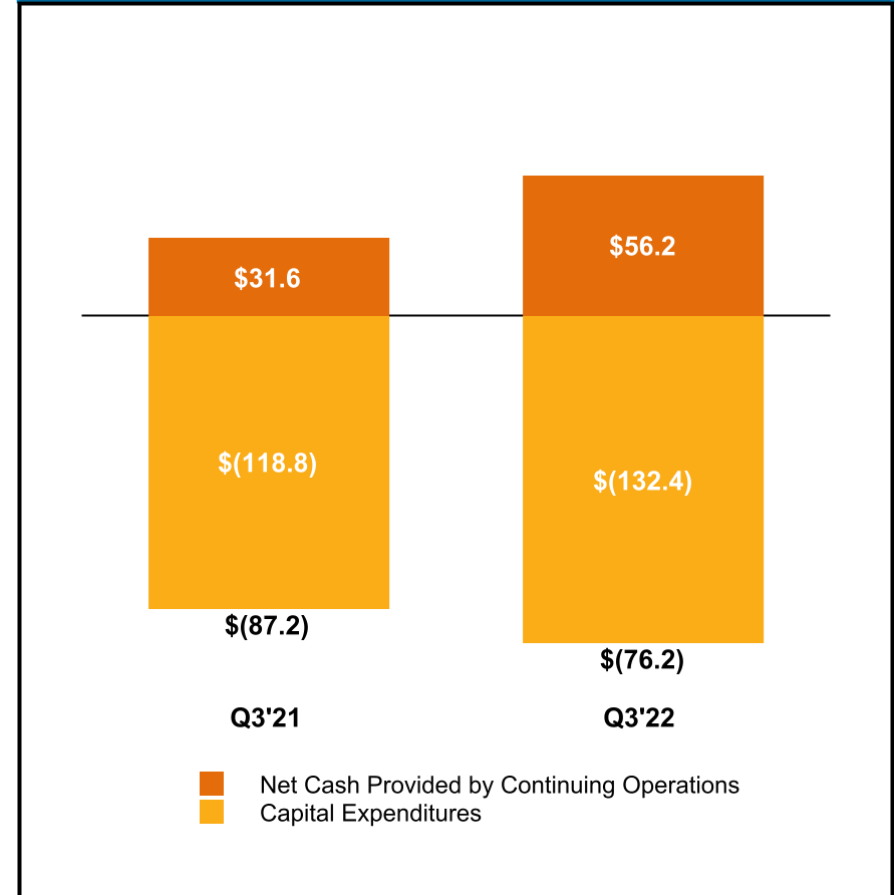
Consolidated revenue includes elimination of intercompany activity.

Liquidity & Free Cash Flow

Liquidity (in millions)

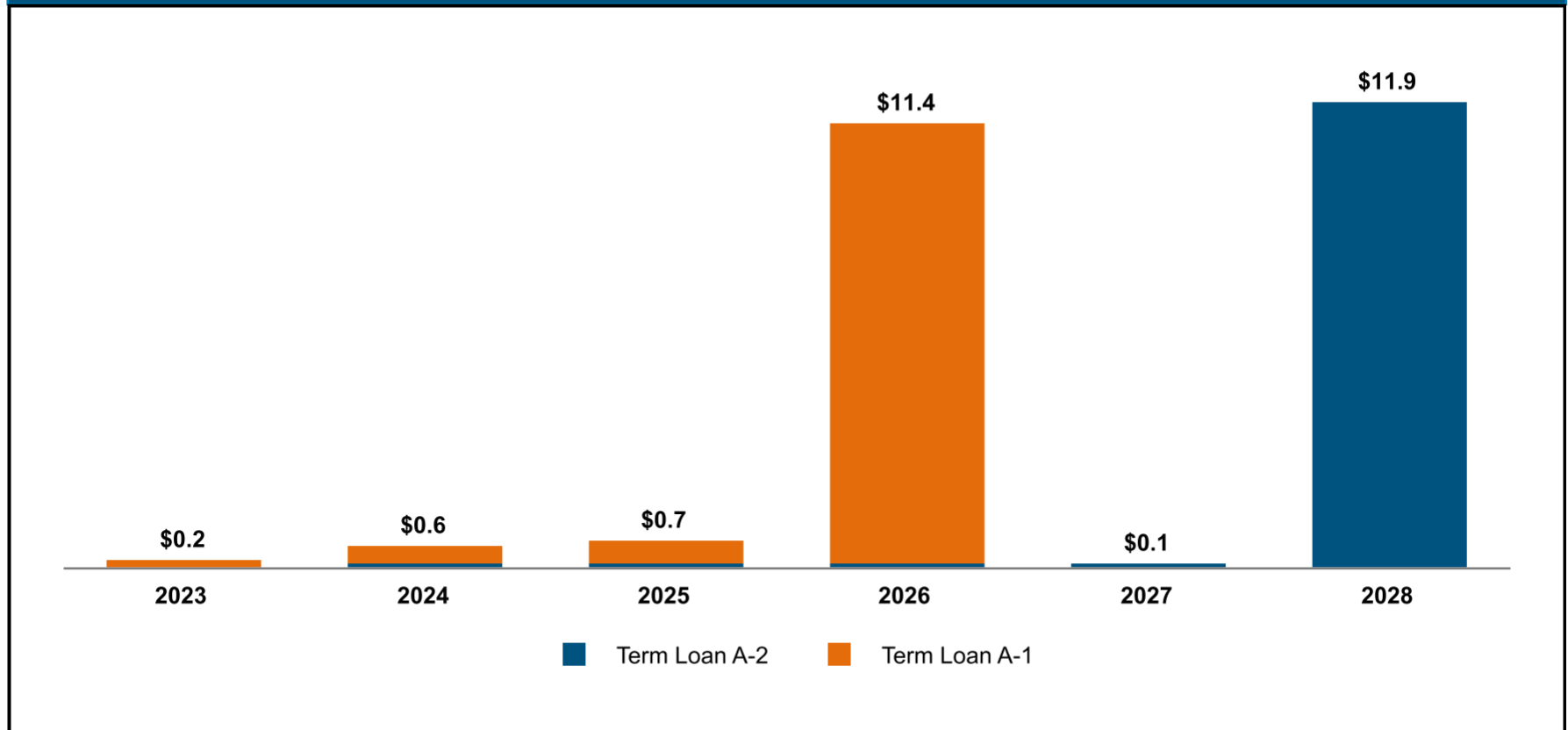


Free Cash Flow (in millions)



Debt Maturity & Other Liquidity Events

Debt Maturity (in millions)



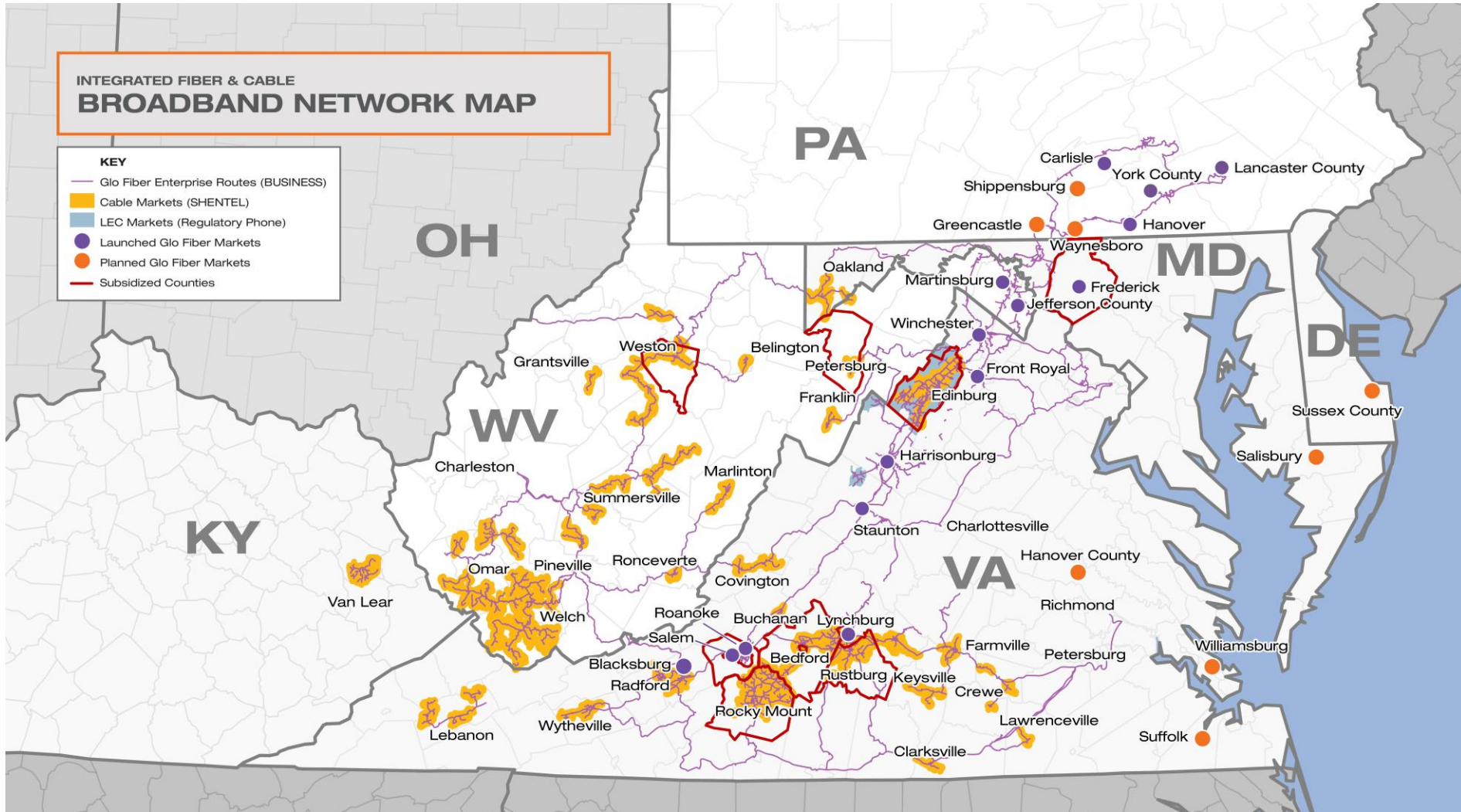
- \$30 million in income tax refunds expected to be received in 4Q22
- \$4 million refund of certain CBRS spectrum deposits expected in 4Q22
- \$17 million in cash sale proceeds of certain spectrum assets likely to close in first half 2023



Ed McKay

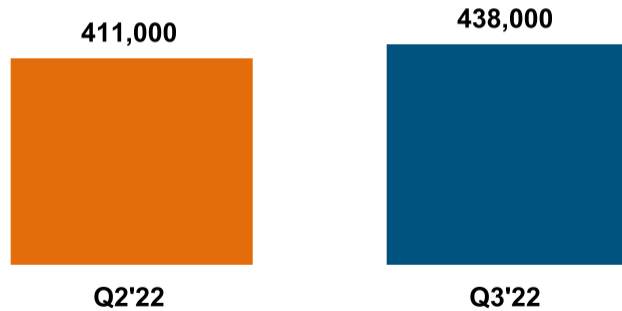
EVP and COO

Integrated Fiber and Cable Broadband Network

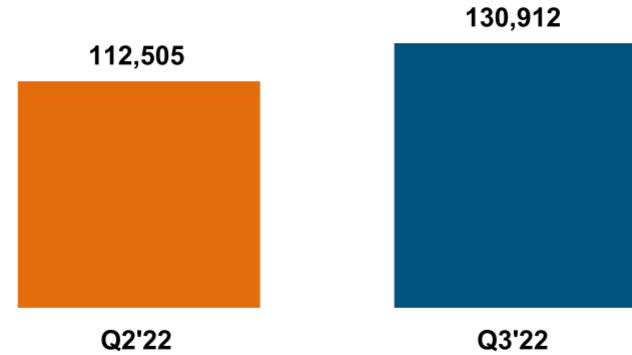


Broadband - Fiber Construction Metrics

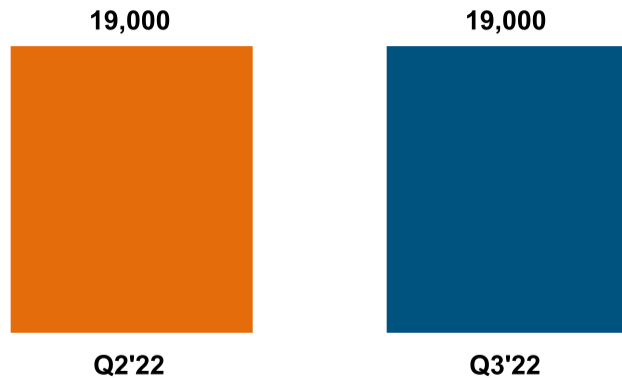
Glo Fiber Franchise Approved Passings



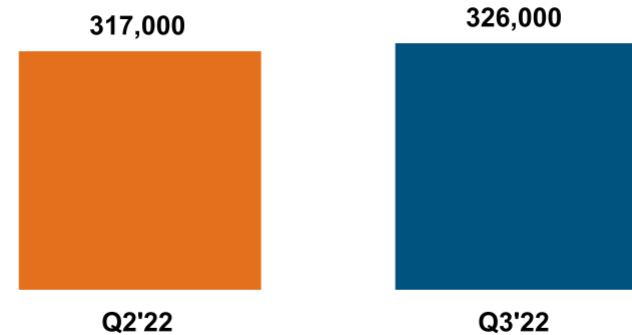
Glo Fiber Passings Released to Sales



Government Grant Approved Fiber Passings

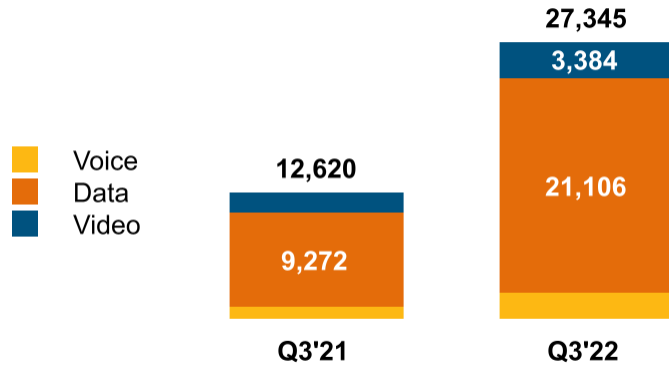


Total Fiber Construction Backlog Passings

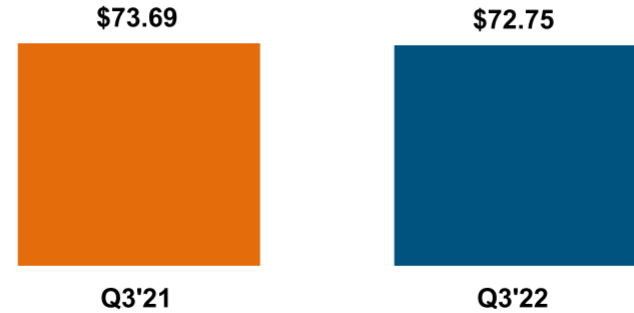


Broadband - Glo Fiber Operating Metrics

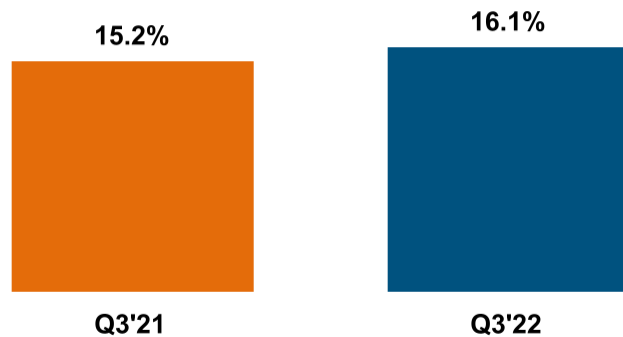
Revenue Generating Units (RGU)



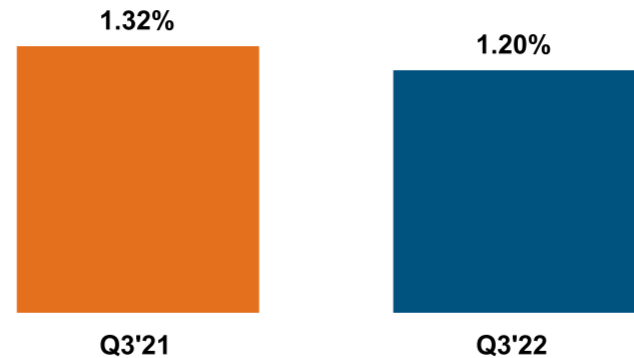
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

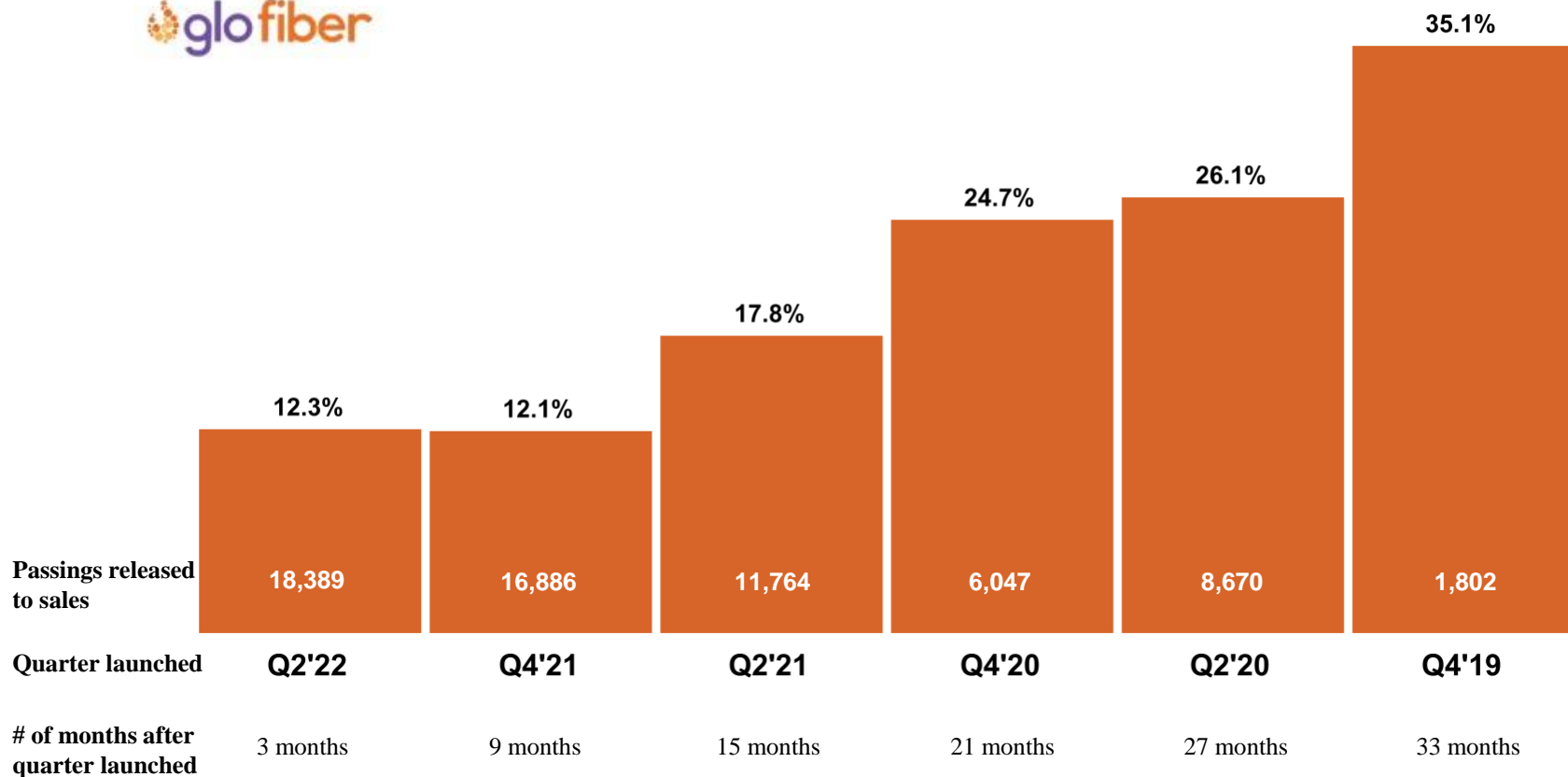


Broadband Data Churn



Vintage Glo Fiber Penetration

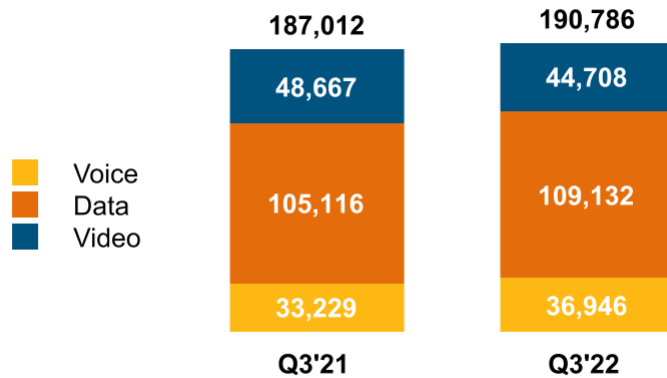
Vintage Glo Fiber Penetration¹



¹ Penetration rates as of 9/30/2022

Broadband - Incumbent Cable Metrics

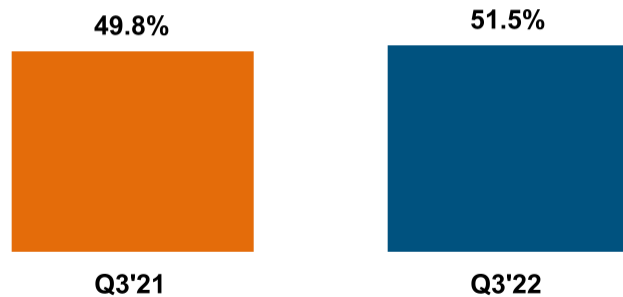
Revenue Generating Units (RGU)



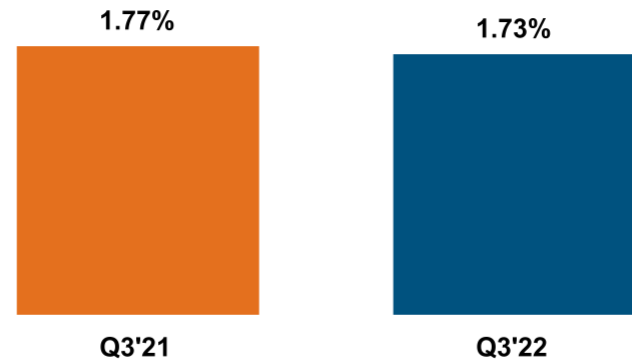
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration







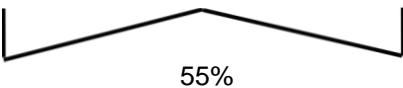
Broadband Data Churn



Incumbent Cable Network Roadmap Highlights

- \$74 million investment in cable system upgrades over the next five years, including DOCSIS 4.0 and FTTH overbuilds.
- ~ \$350 per home passed
- 24% of homes overbuilt with fiber with focus on dense markets
- 76% of homes upgraded to high or mid splits
- Expect to realize \$2 million in lower annual maintenance expense
- \$14 million incremental investment to replace coax drops / CPE with fiber

Network Evolution to be Fiber Centric

	 Always connected to you	 Always connected to you		 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	Unserviced 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%

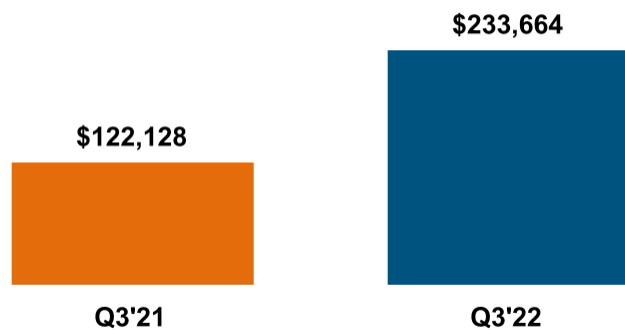


*Represents cost to upgrade to mid-split and high split/DOCSIS 4.0 HFC

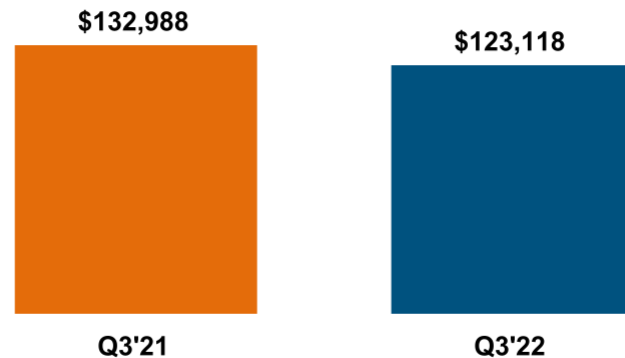
** Represents cost to pass net of government grants

Broadband - Commercial Fiber Metrics

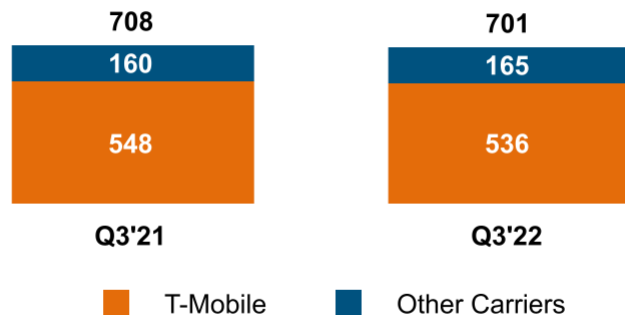
MRR & MAR Sales Bookings



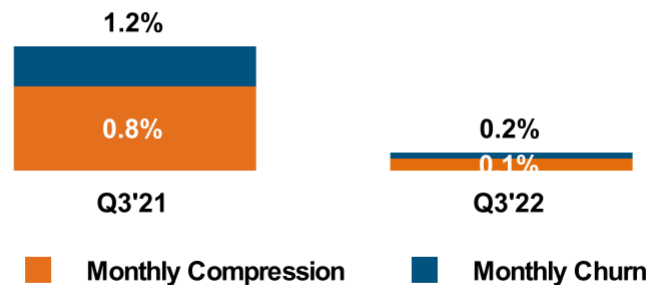
Installed MRR & MAR¹



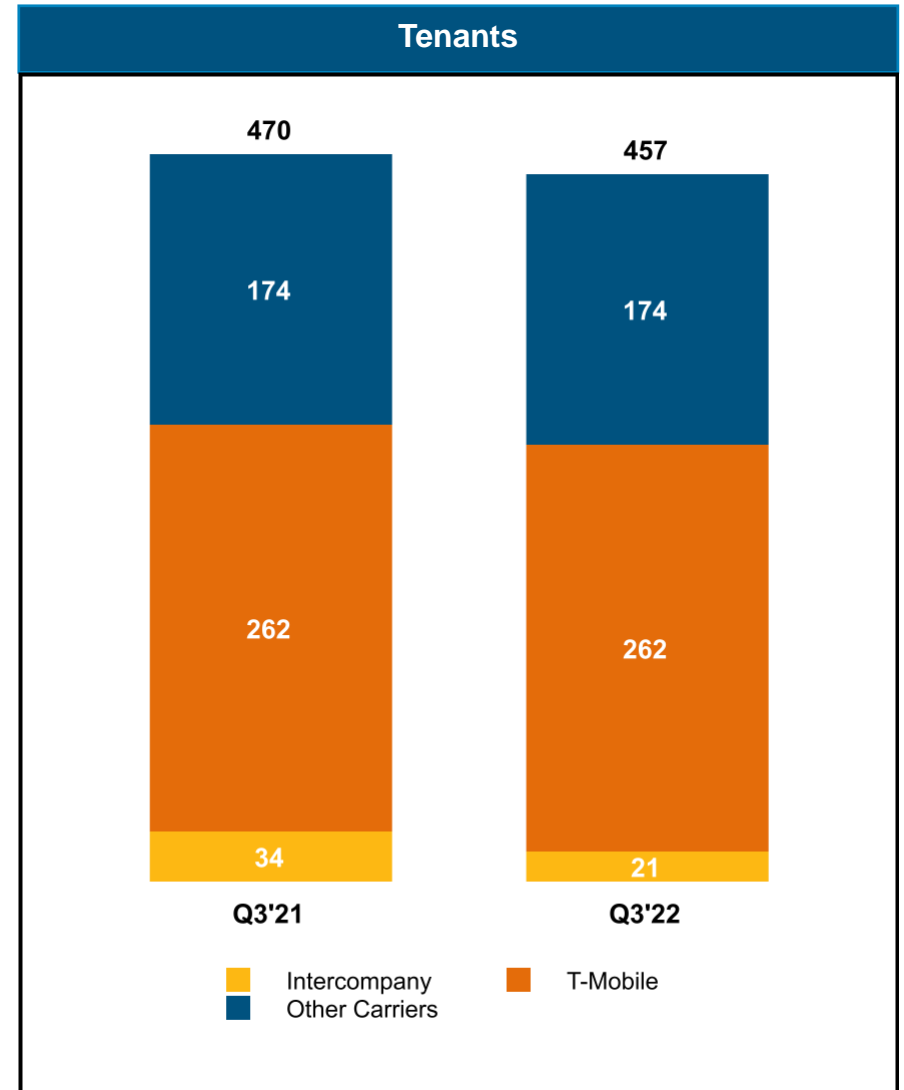
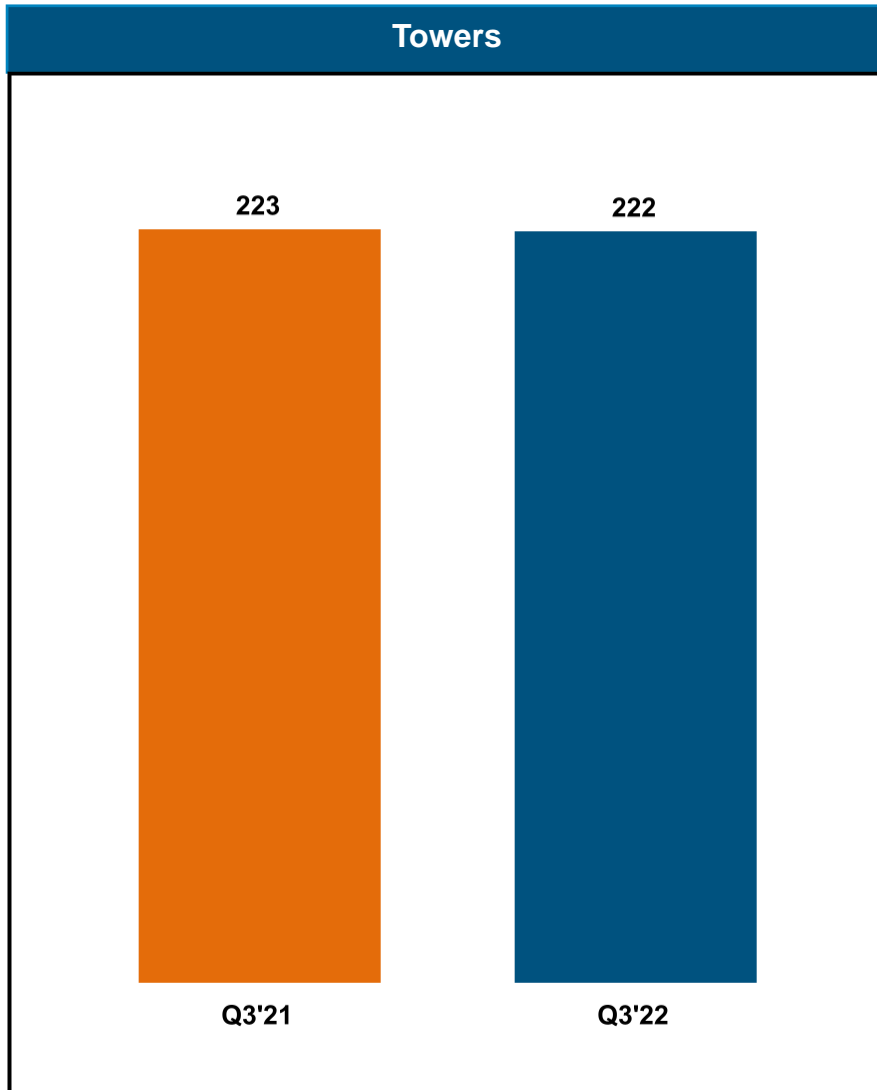
Backhaul Connections



Monthly Compression and Disconnect Churn

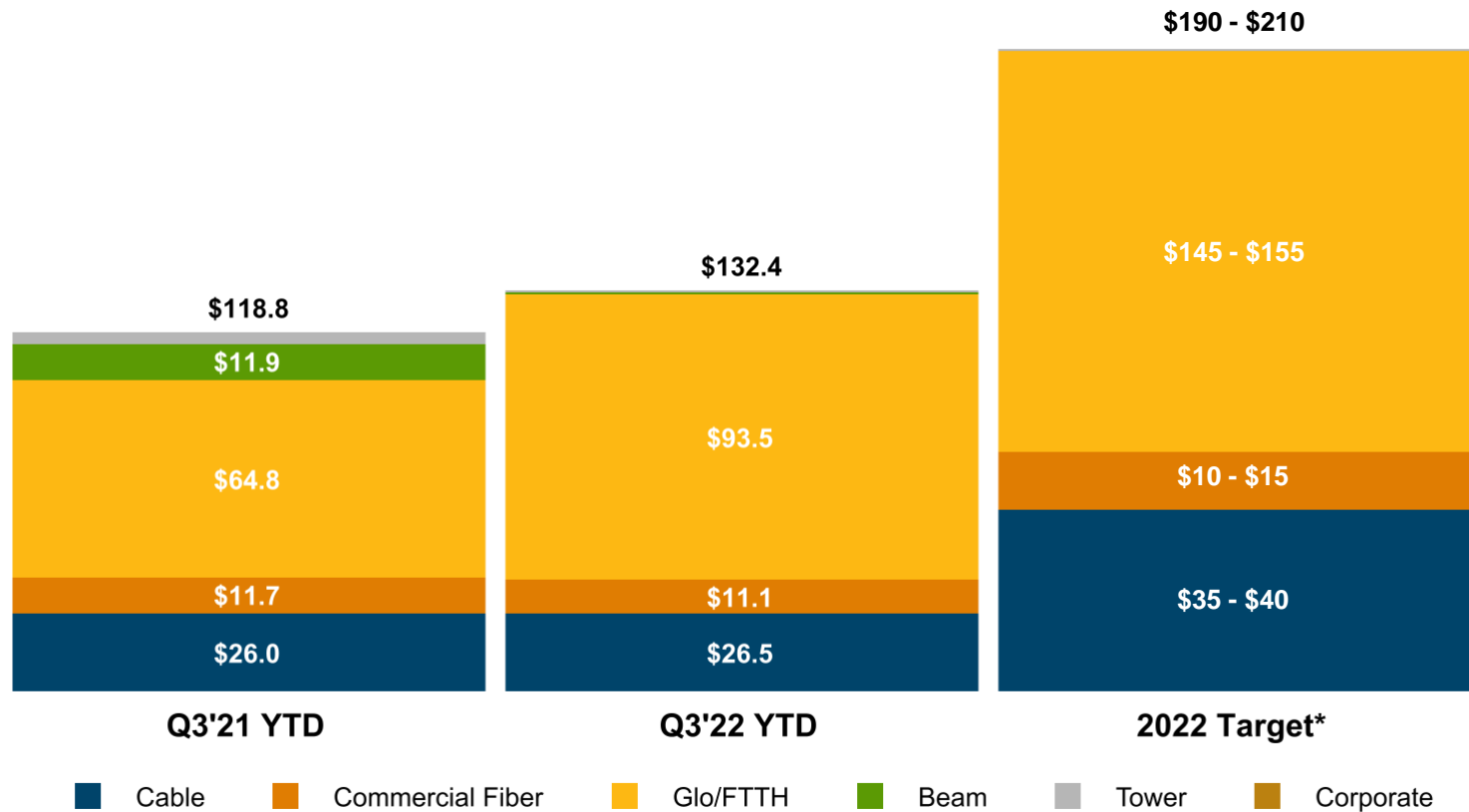


Tower - Metrics



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 September 30, 2022

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss) from continuing operations	\$ 4,752	\$ 2,590	\$ (10,070)	\$ (2,728)
Depreciation and amortization	16,791	445	637	17,873
Impairment expense	477	—	—	477
Other expense (income), net	58	—	1,150	1,208
Income tax benefit	—	—	(251)	(251)
Stock-based compensation	—	—	1,771	1,771
Restructuring charges and other	169	—	472	641
Adjusted EBITDA	<u>\$ 22,247</u>	<u>\$ 3,035</u>	<u>\$ (6,291)</u>	<u>\$ 18,991</u>
Adjusted EBITDA margin	36 %	65 %	N/A	28 %

Three Months Ended September 30, 2021

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss) from continuing operations	\$ 9,337	\$ 2,163	\$ (5,005)	\$ 6,495
Depreciation and amortization	12,211	468	1,569	14,248
Other expense (income), net	63	—	(201)	(138)
Income tax benefit	—	—	(5,506)	(5,506)
Stock-based compensation	—	—	1,119	1,119
Restructuring charges and other	676	6	2,048	2,730
Adjusted EBITDA	<u>\$ 22,287</u>	<u>\$ 2,637</u>	<u>\$ (5,976)</u>	<u>\$ 18,948</u>
Adjusted EBITDA margin	38 %	59 %	N/A	30 %

Broadband - Average Revenue per User (ARPU)

	For the third quarter ended,			
	2021		2022	
Residential & SMB Revenue (000's)				
Broadband	\$	26,590	\$	30,670
Incumbent Cable	\$	24,780	\$	26,502
Glo Fiber	\$	1,810	\$	4,168
Video	\$	15,391	\$	14,914
Voice	\$	2,968	\$	3,041
Average Revenue Generating Units				
Broadband		112,338		127,579
Incumbent Cable		104,150		108,481
Glo Fiber		8,188		19,098
Video		50,921		48,456
Voice		34,789		39,659
Average Revenue per User (ARPU)*				
Broadband	\$	78.85	\$	80.05
Incumbent Cable	\$	79.31	\$	81.43
Glo Fiber	\$	73.69	\$	72.75
Video	\$	100.75	\$	102.59
Voice	\$	28.44	\$	25.56