



Q1 2024
Earnings Conference Call
May 3, 2024

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:

- ❑ The expected savings and synergies from the Horizon acquisition may not be realized or may take longer or cost more than expected to realize

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

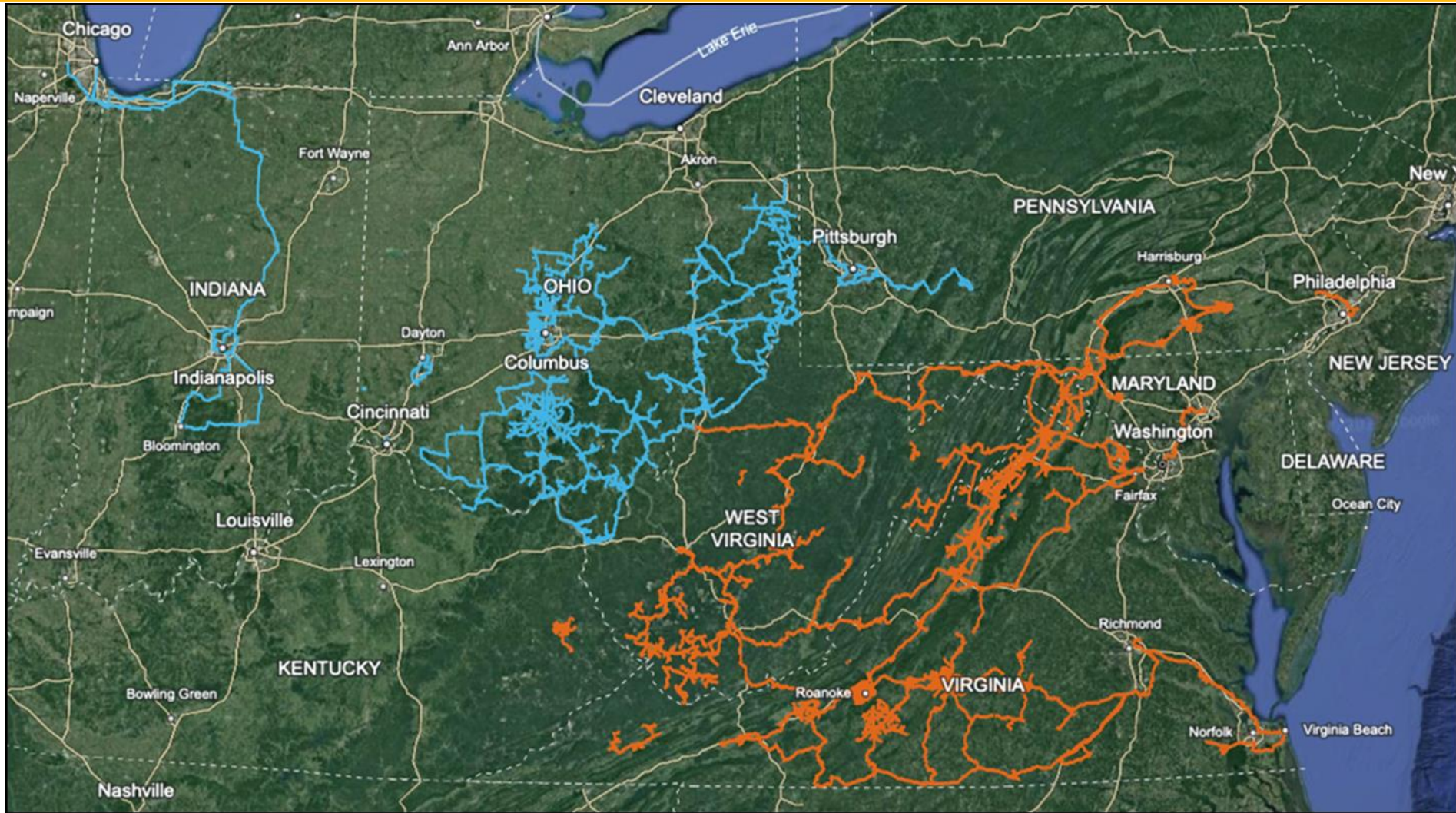
Transformative Transactions

- Announced and closed \$310 million sale of our towers
- Closed on \$275 million credit facility upsizing
- Closed on \$81 million preferred equity financing
- Closed on \$385 million Horizon Telcom acquisition
- Implemented leadership changes in Ohio markets; added Glenn Lytle to senior management team to lead combined company commercial sales

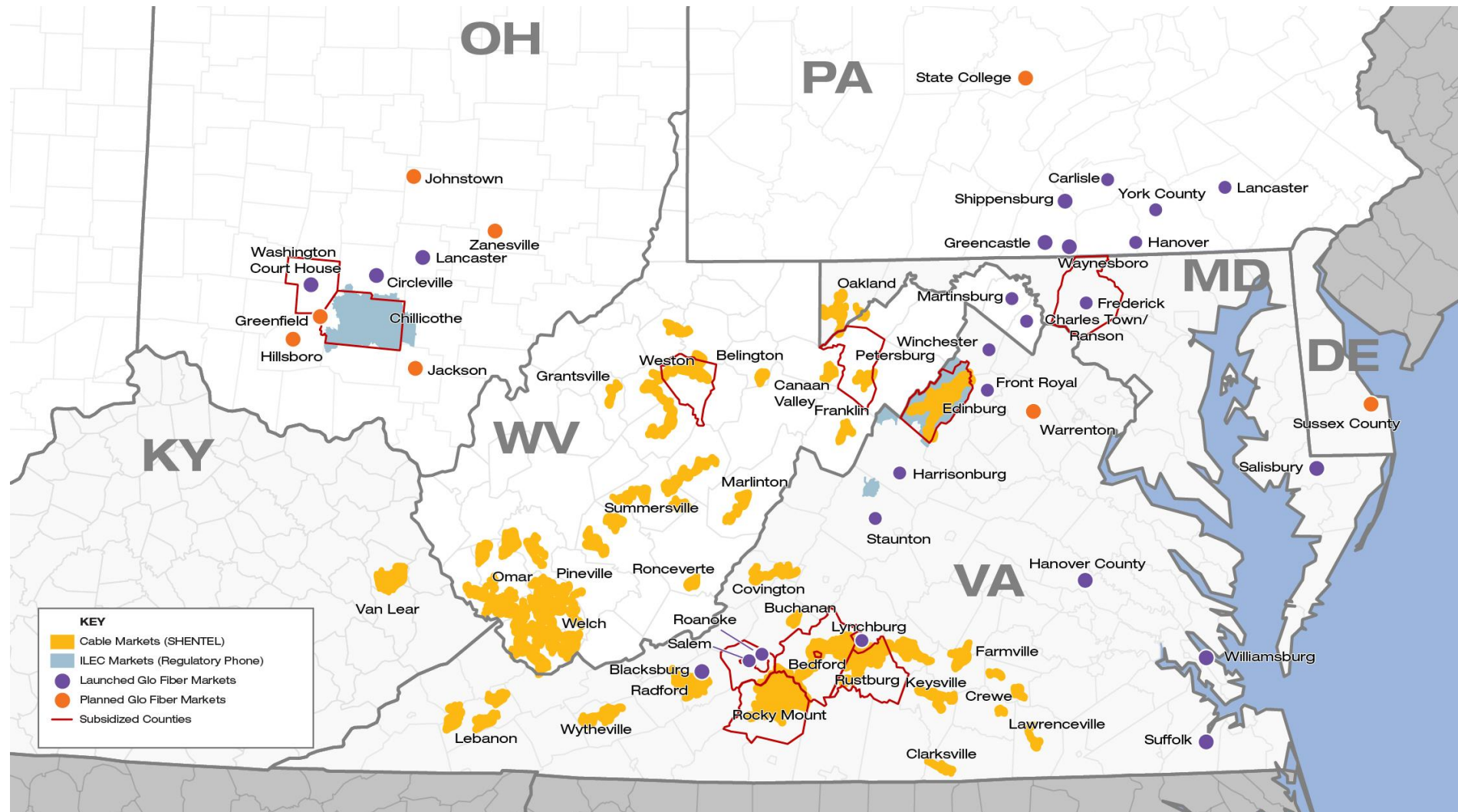
Fiber First Strategy Update

- Announced brand change to Glo Fiber and implemented new rate card in Ohio markets
- Upsized annual run-rate Horizon expense synergy target to \$10.6 million; Realized ~ 45% of synergy savings as we enter May; Expect to complete integration and realize full synergies in first half 2025
- Achieved record Glo Fiber customer net additions and a strong quarter of newly constructed passings in 1Q24
- Constructed/acquired 46% of 600,000 target Glo Fiber expansion market passings; On track to reach target by end of 2026

Super-Regional Commercial Fiber Network



Integrated Fiber and Cable Broadband Network





Jim Volk

SVP of Finance and CFO

Consolidated Highlights - Continuing Operations

Revenue (in millions)

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

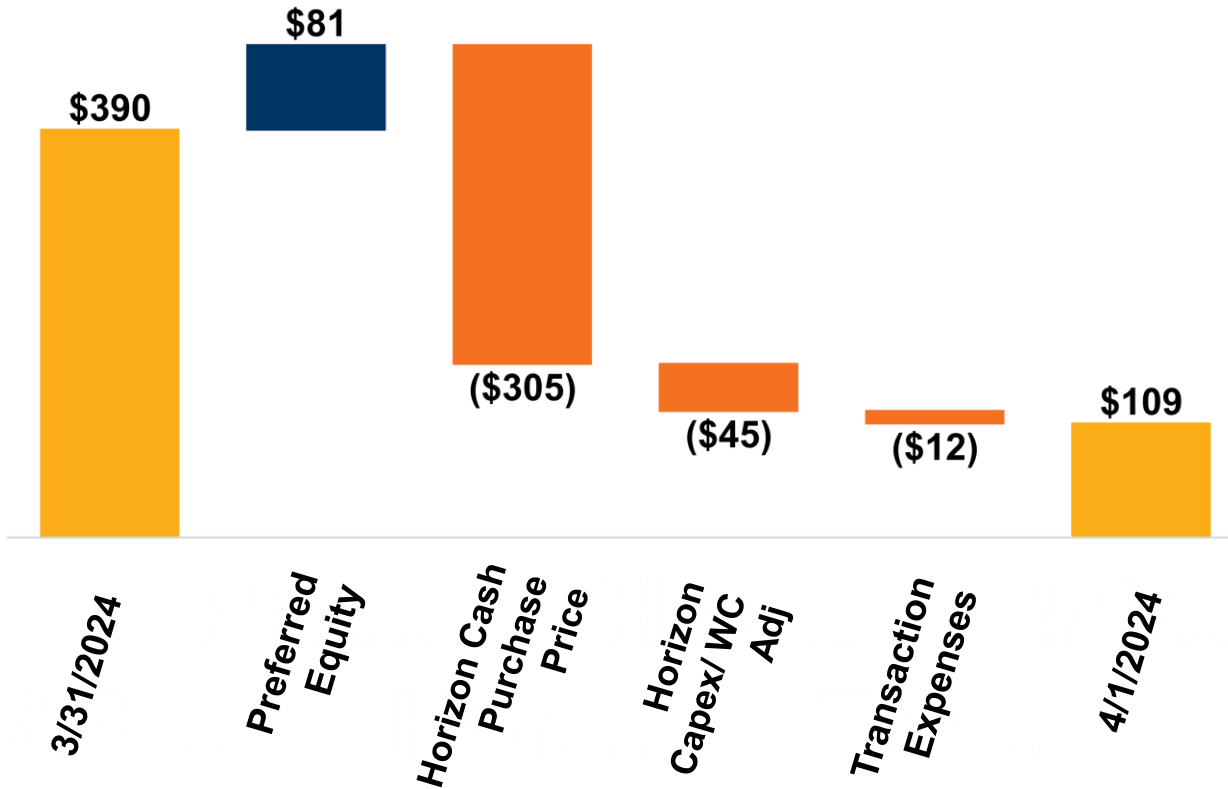


Adjusted EBITDA (in millions)

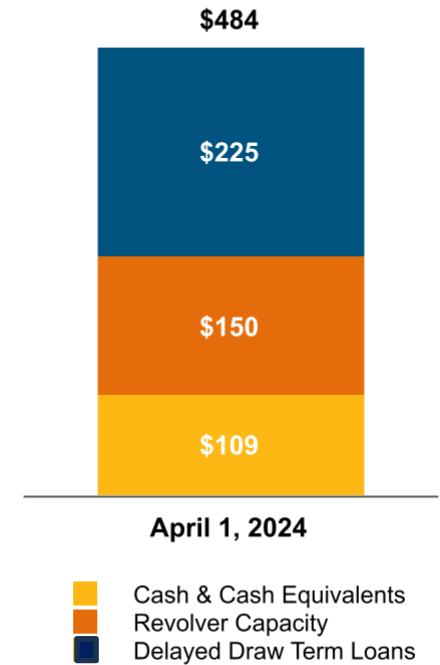


Pro-forma Liquidity

Change in Cash (in millions)

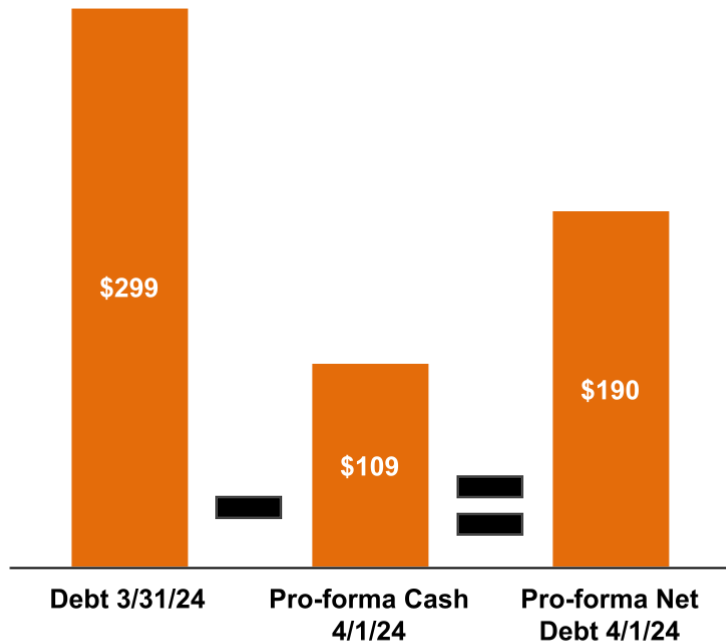


Liquidity (in millions)

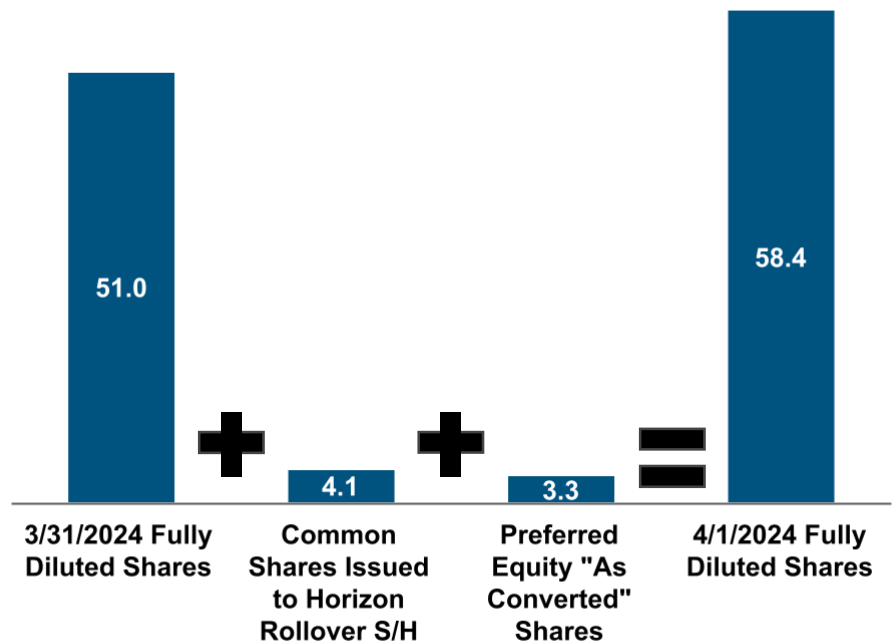


Pro-forma Capital Structure

Pro-forma Net Debt 4/1/2024 (in millions)

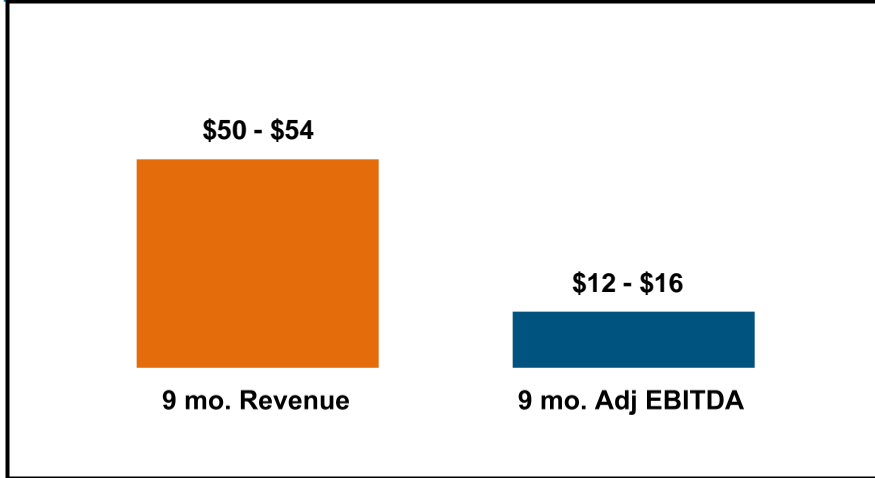


Pro-forma Fully Diluted O/S - 4/1/2024 (in millions)

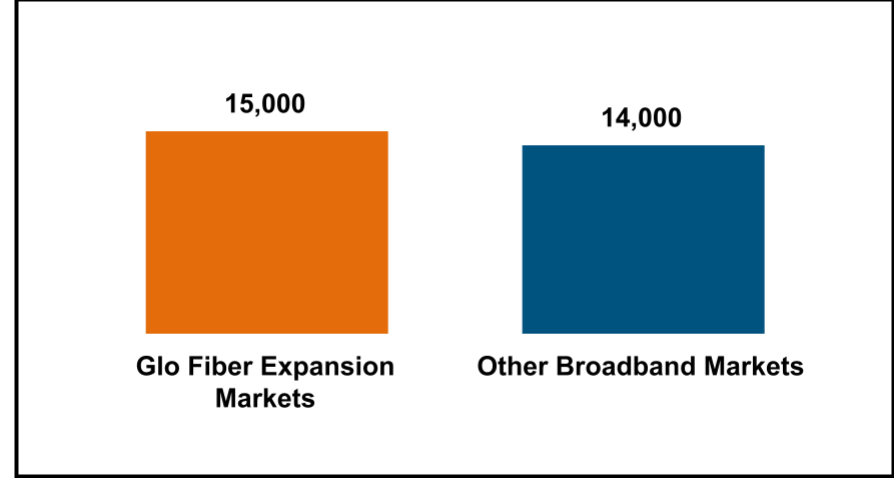


2024 (9 months) Horizon Financial Expectations & Key Metrics

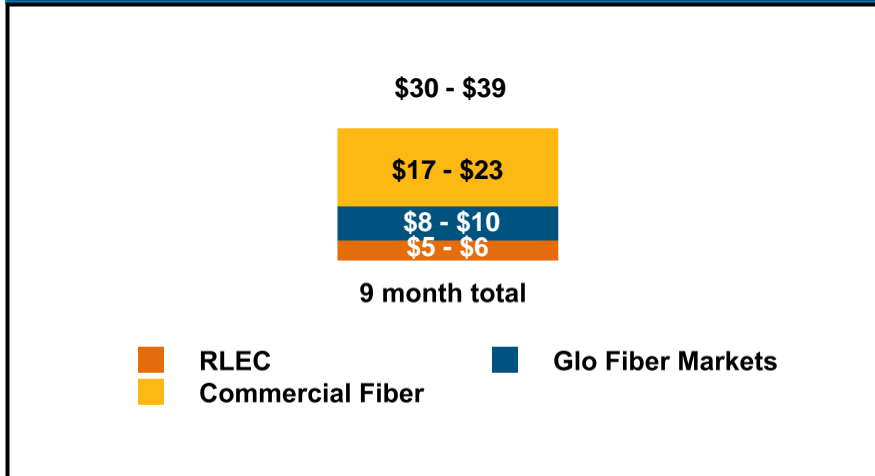
Revenue and Adjusted EBITDA (\$ in millions)



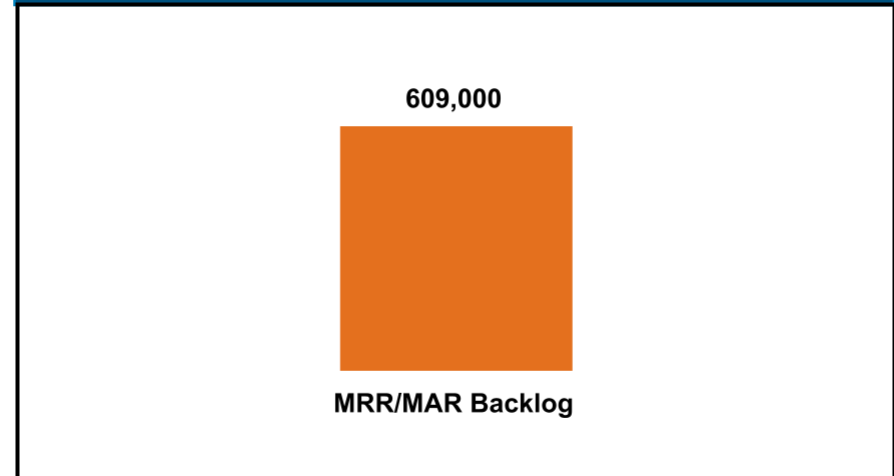
Residential/SMB Fiber Passings @3/31/2024



Capital Expenditures (\$ in millions)



Commercial Fiber MRR/MAR Backlog @3/31/2024



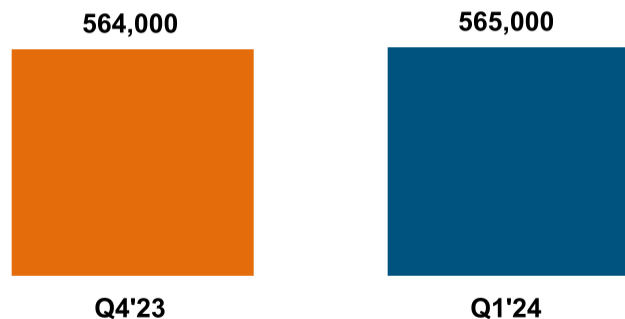


Ed McKay

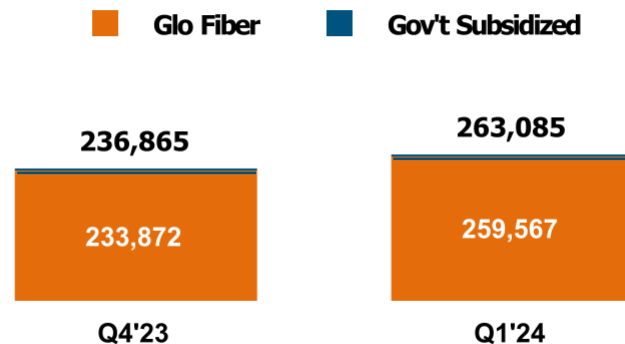
EVP and COO

Broadband - Fiber Construction Metrics

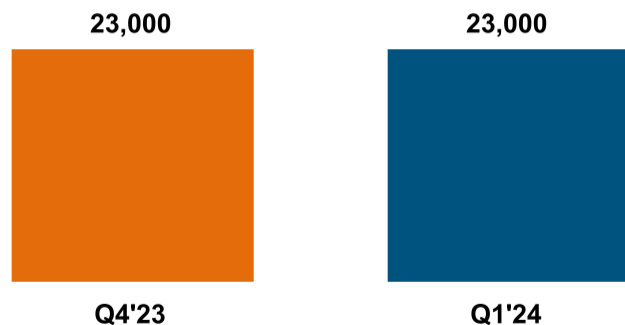
Glo Fiber Franchise Approved Passings



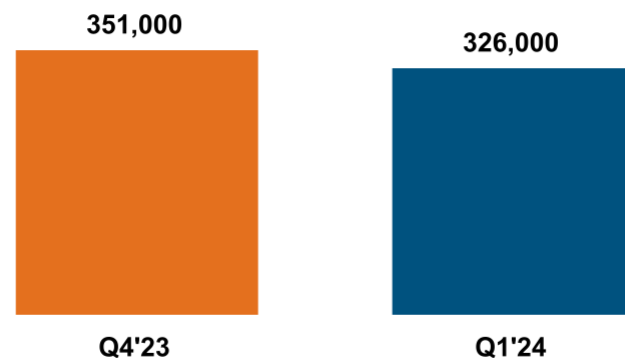
Fiber Passings Released to Sales



Government Grant Approved Fiber Passings¹

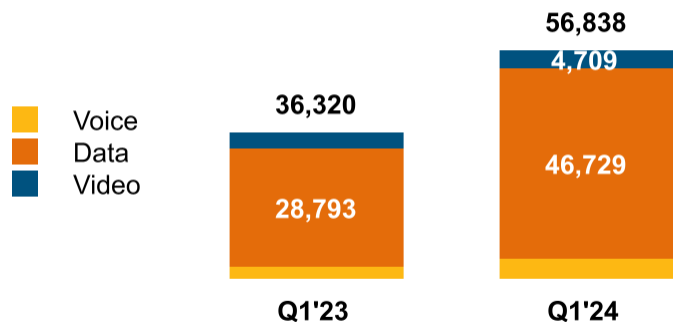


Total Fiber Construction Backlog Passings

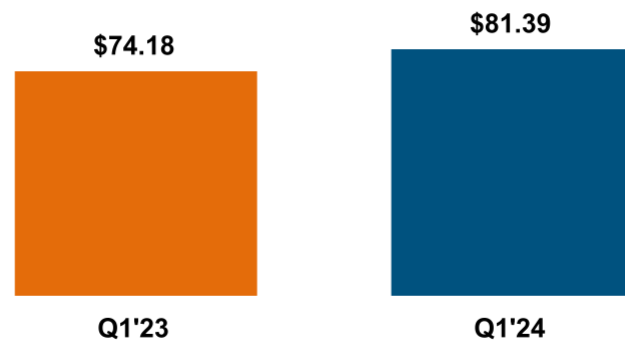


Broadband - Glo Fiber Operating Metrics

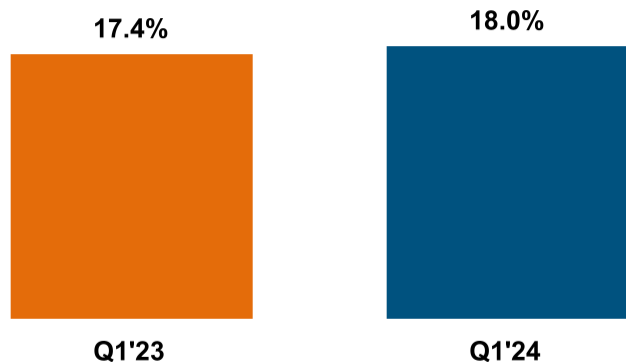
Revenue Generating Units (RGU)



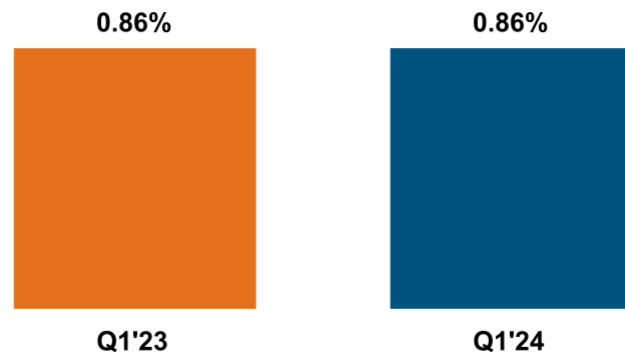
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

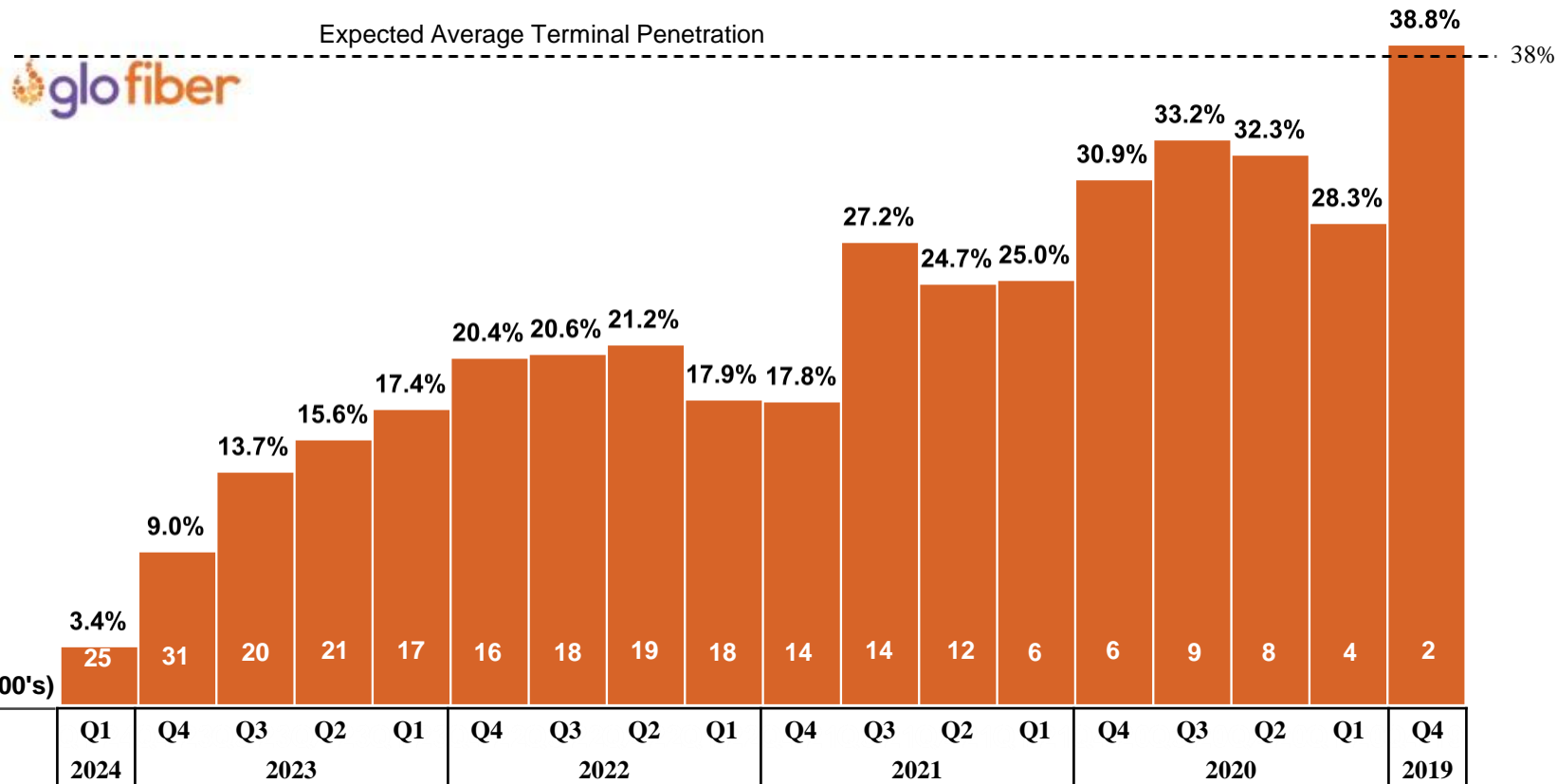


Broadband Data Churn



Vintage Glo Fiber Penetration

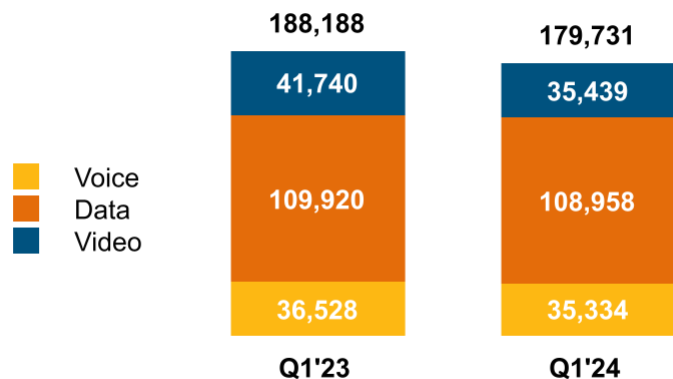
Vintage Glo Fiber Penetration¹



¹ Homes passed and penetration rates as of 3/31/2024, excluding vacant lots

Broadband - Cable Markets Metrics

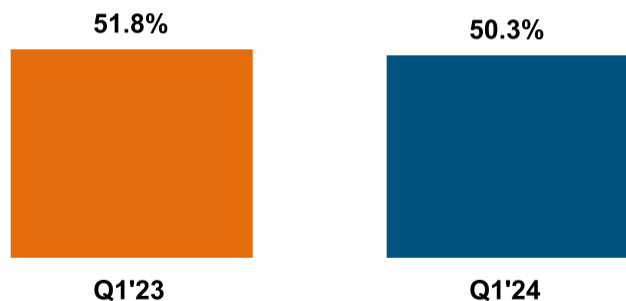
Revenue Generating Units (RGU)



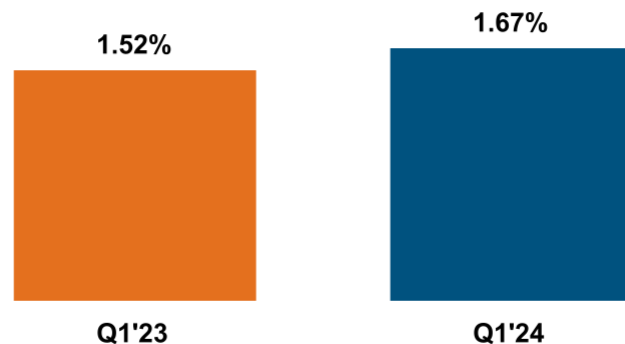
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

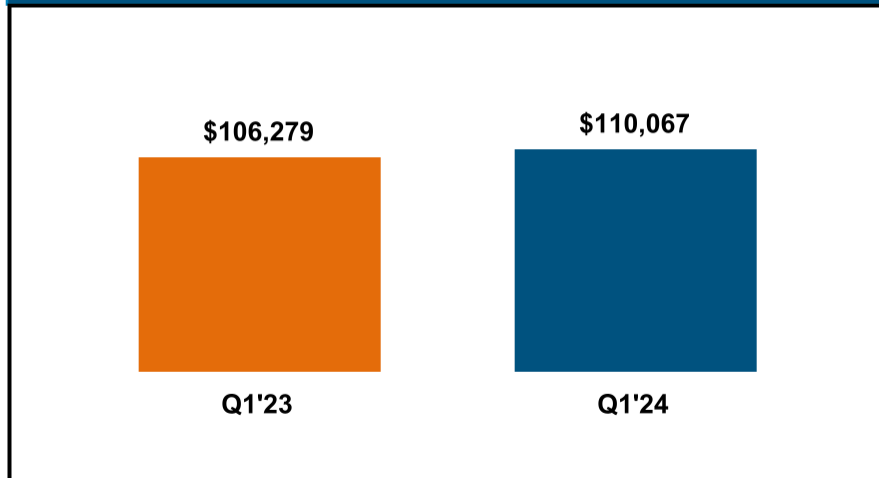


Broadband Data Churn

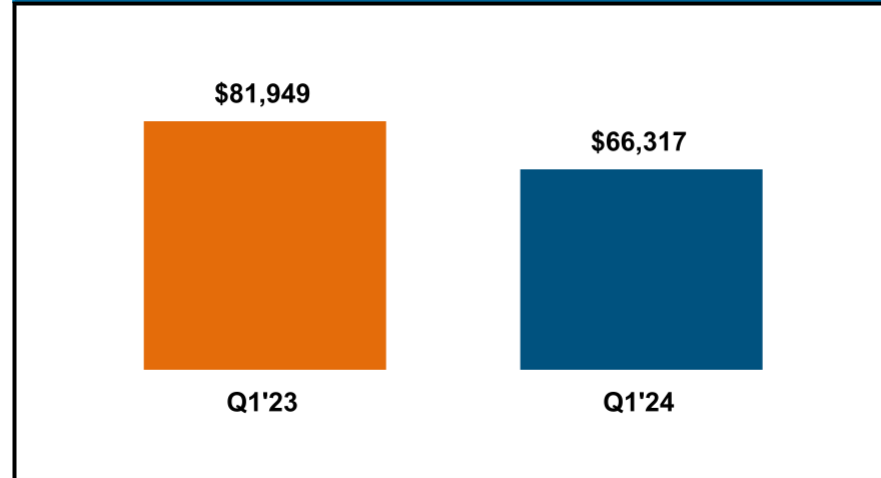


Broadband - Commercial Fiber Metrics

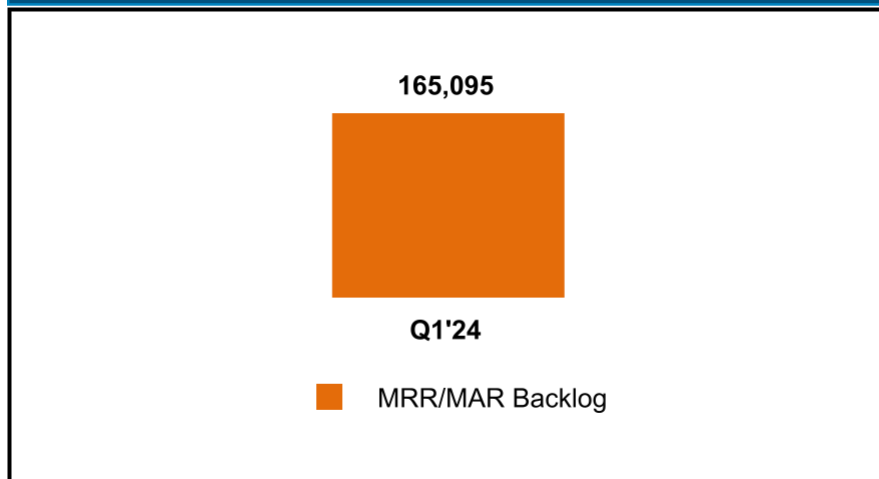
MRR & MAR Sales Bookings¹



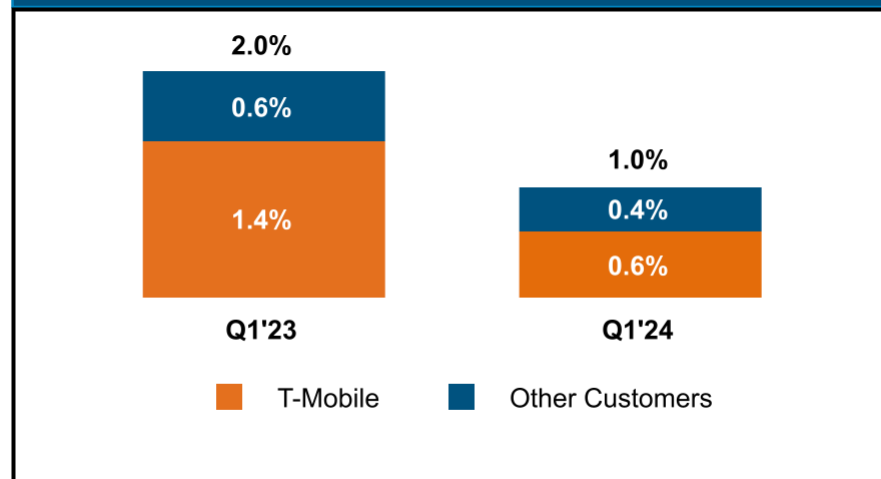
Installed MRR & MAR^{1, 2}



MRR/MAR Backlog

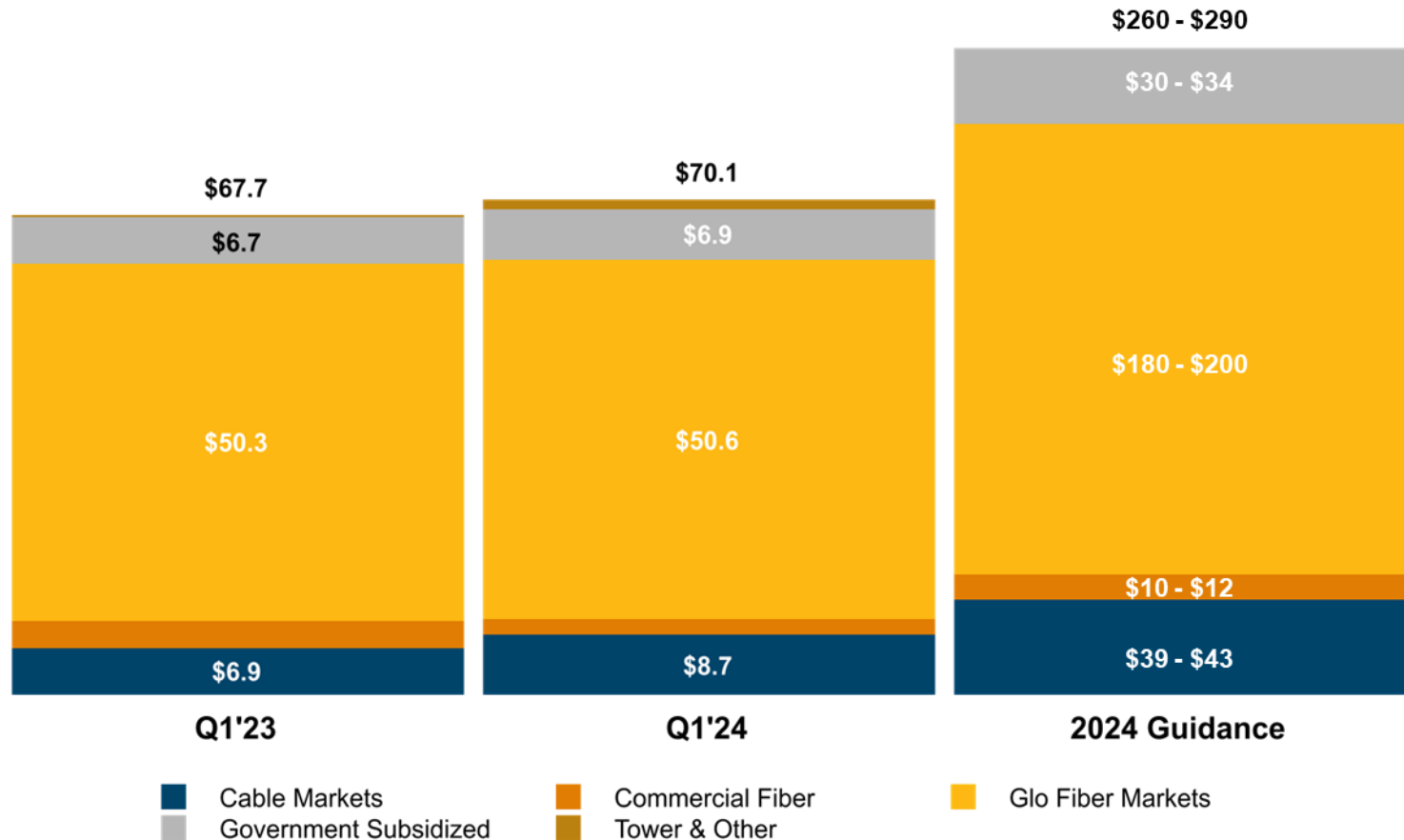


Monthly Compression and Disconnect Churn



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 - Quarterly Results

<i>(in thousands)</i>	Three Months Ended March 31,	
	2024	2023
(Loss) income from continuing operations	\$ (4,090)	\$ 741
Depreciation and amortization	17,443	15,269
Other expense (income), net	2,340	(1,117)
Income tax (benefit) expense	(1,026)	682
Stock-based compensation	3,966	3,717
Restructuring charges and other	618	131
Adjusted EBITDA	<u>\$ 19,251</u>	<u>\$ 19,423</u>
Adjusted EBITDA margin	28 %	29 %

Broadband - Average Revenue per User (ARPU)

	For the first quarter ended,	
	2023	2024
Residential & SMB Revenue (000's)		
Broadband	\$ 33,174	\$ 38,581
Cable Markets	\$ 27,273	\$ 27,798
Glo Fiber Markets	\$ 5,901	\$ 10,783
Video	\$ 14,645	\$ 14,394
Voice	\$ 3,030	\$ 3,023
Discounts, Adjustments, and Other	\$ 910	\$ 490
Average Revenue Generating Units		
Broadband	136,271	153,418
Cable Markets	109,758	109,255
Glo Fiber Markets	26,513	44,163
Video	46,268	41,294
Voice	39,992	40,690
Average Revenue per User (ARPU)*		
Broadband	\$ 81.09	\$ 83.83
Cable Markets	\$ 82.83	\$ 84.81
Glo Fiber Markets	\$ 74.18	\$ 81.39
Video	\$ 105.51	\$ 116.19
Voice	\$ 25.25	\$ 24.77