



Q2 2023
Earnings Conference Call
August 2, 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;

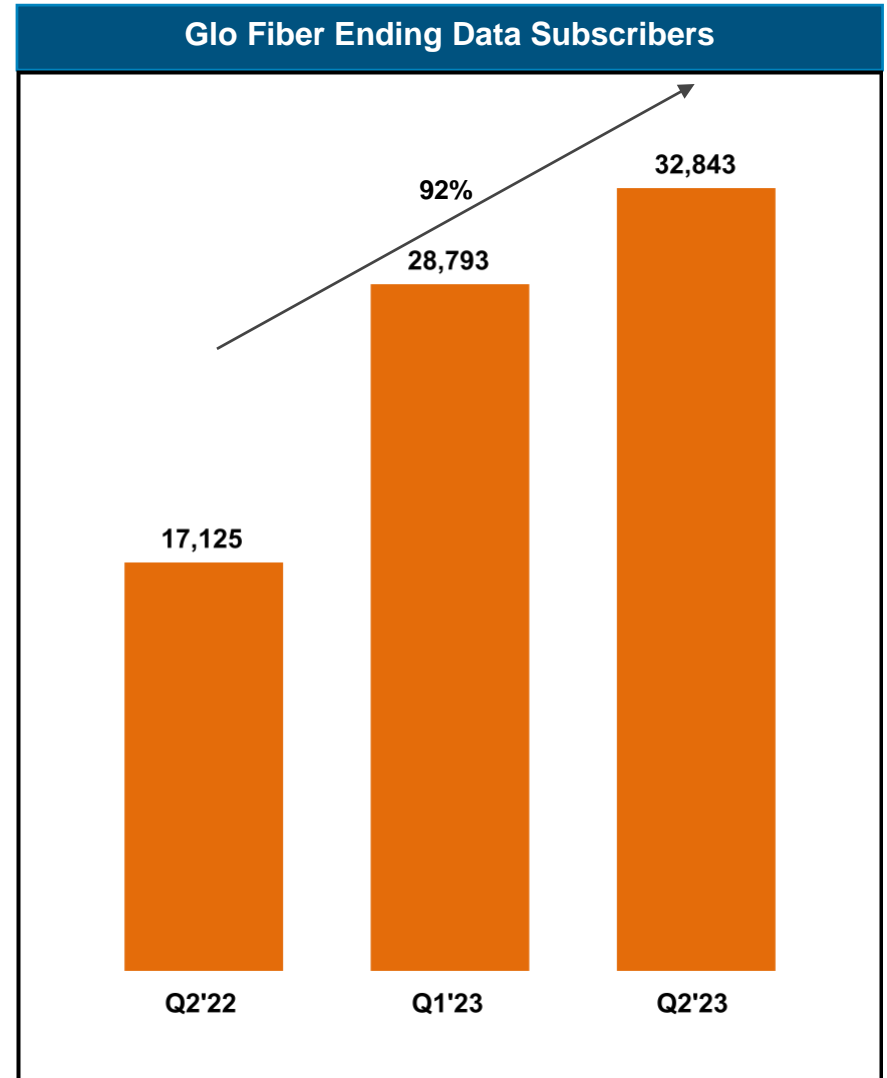
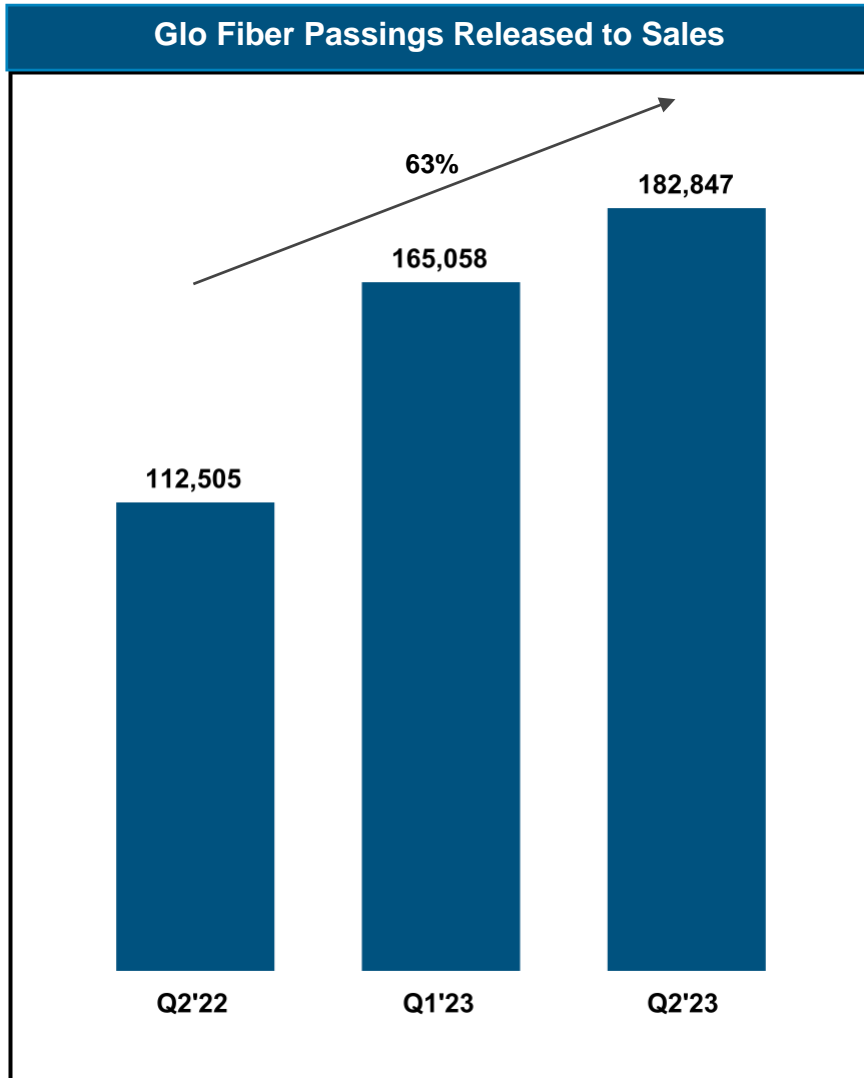
A further list and description of these risks, uncertainties and other factors can be found in the Company’s SEC filings which are available online at www.sec.gov, www.shentel.com or on request from the Company. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.



Chris French

President and CEO

Accelerating Pace of Construction and Sales





Jim Volk

SVP of Finance and CFO

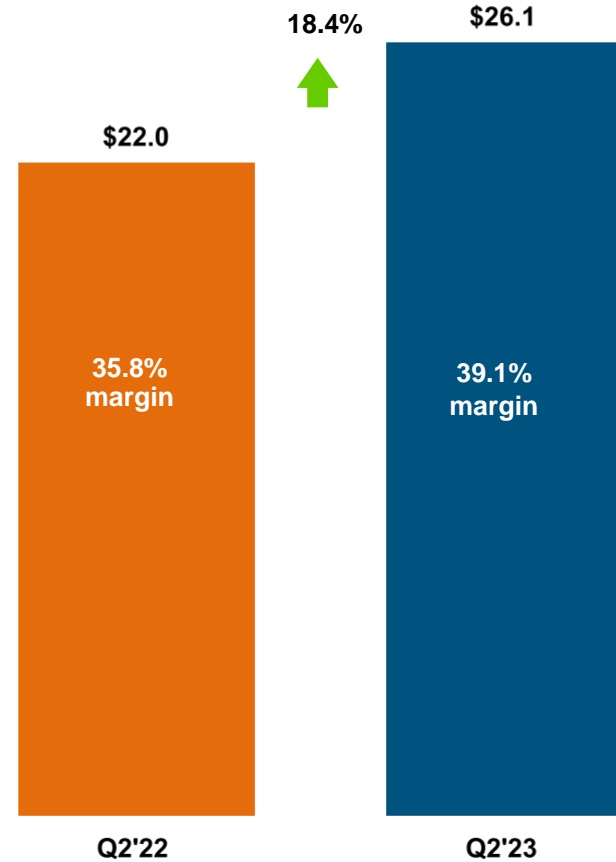
Broadband Highlights - Second Quarter Results

Revenue (in millions)

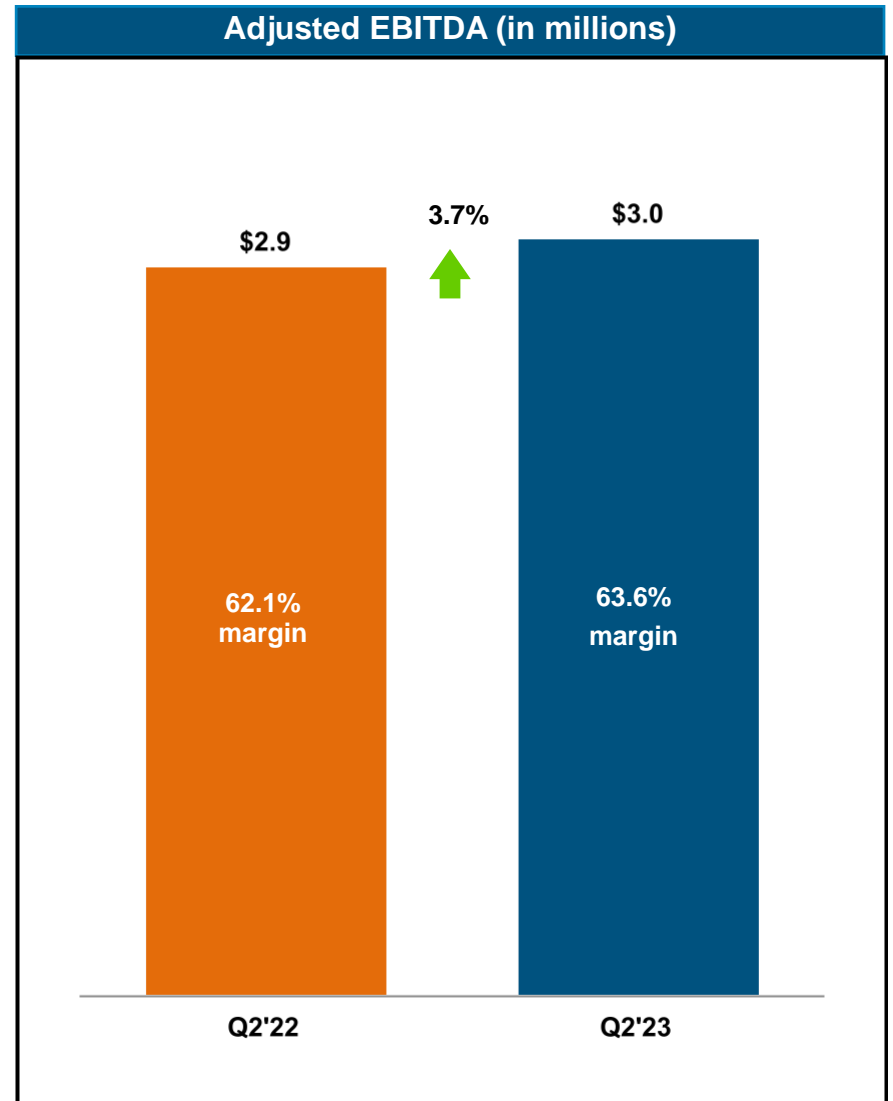
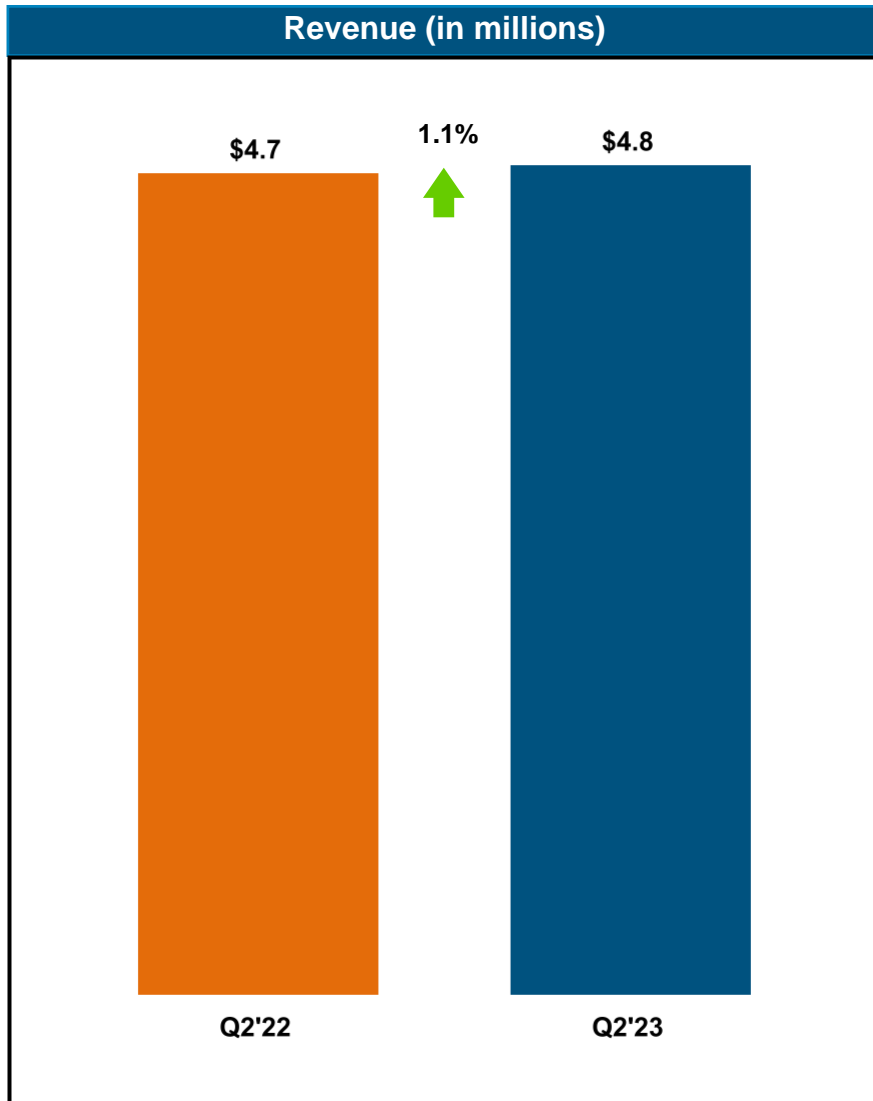
- Residential & SMB - Cable Markets
- Residential & SMB - Glo Fiber Markets
- Commercial Fiber
- RLEC & Other



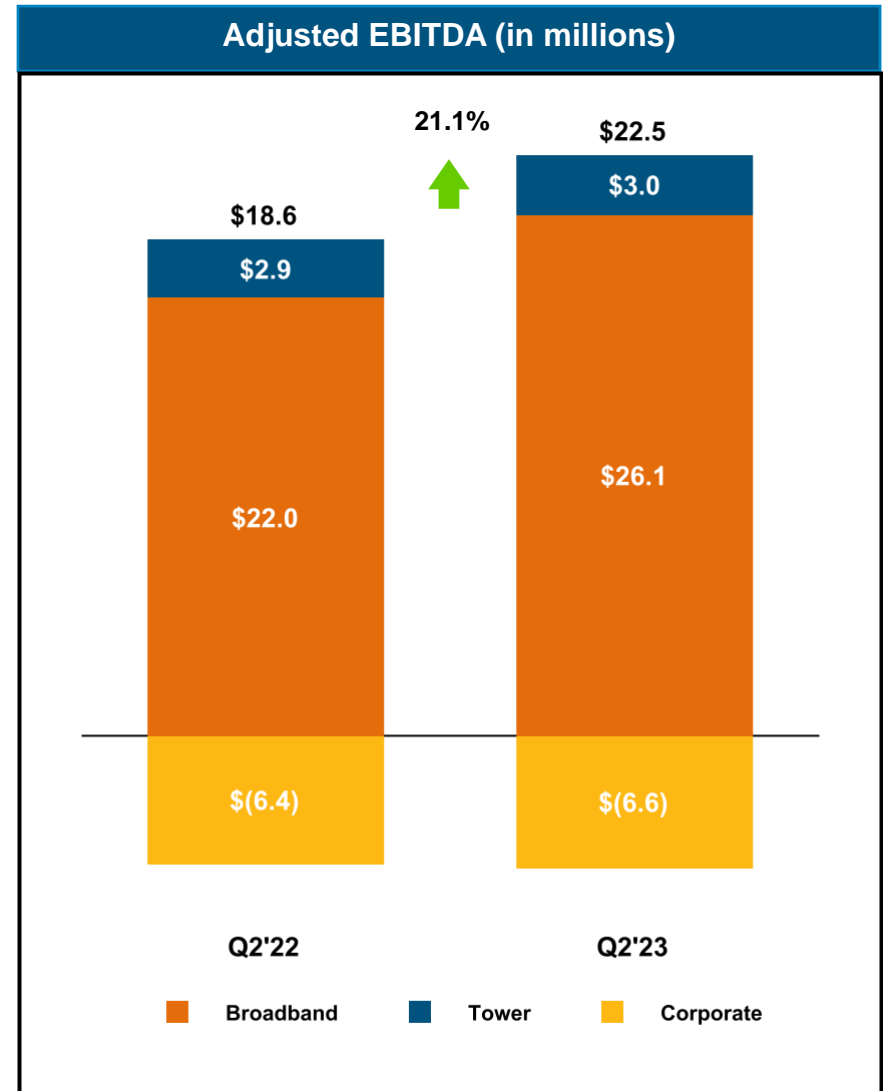
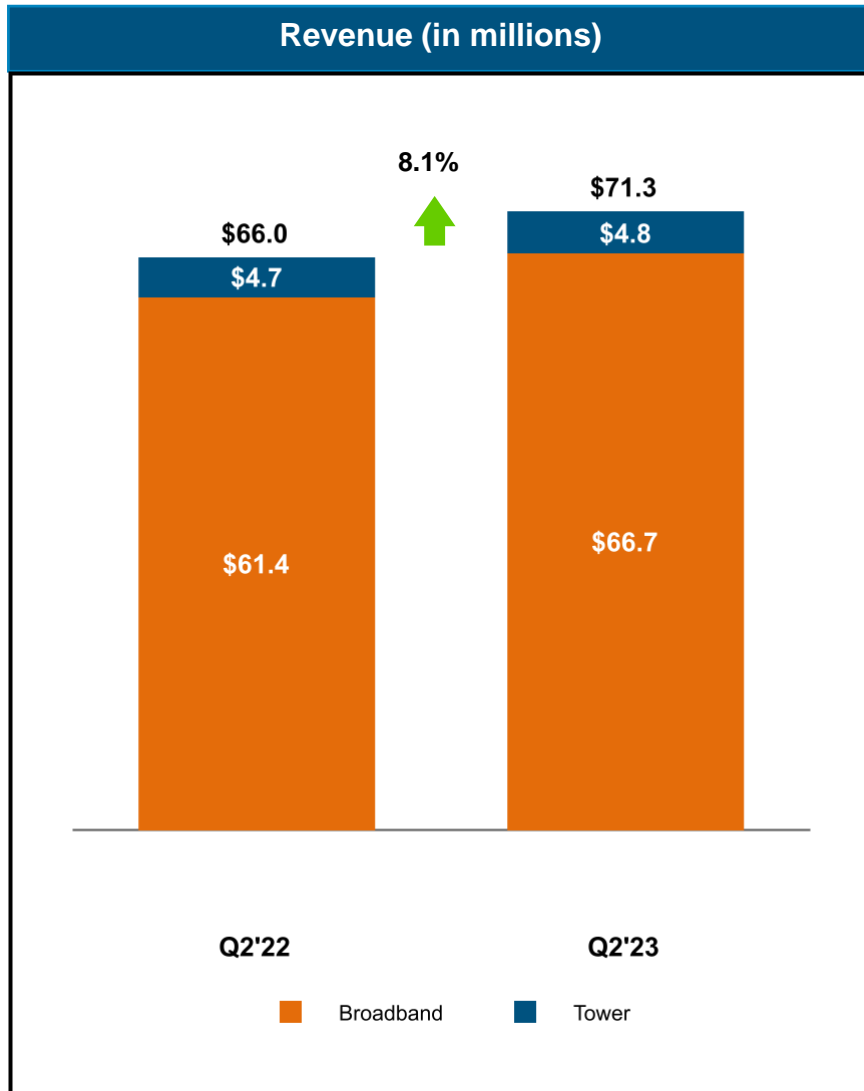
Adjusted EBITDA (in millions)



Tower Highlights - Second Quarter Results



Consolidated Highlights - Second Quarter Results

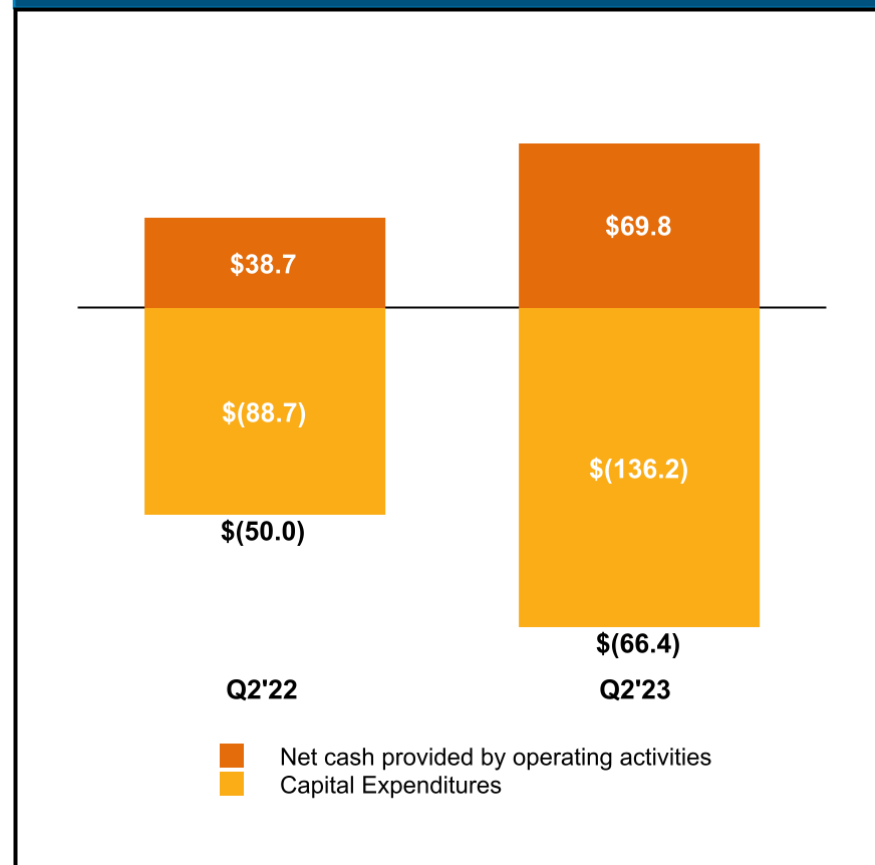


Liquidity & Free Cash Flow

Liquidity (in millions)

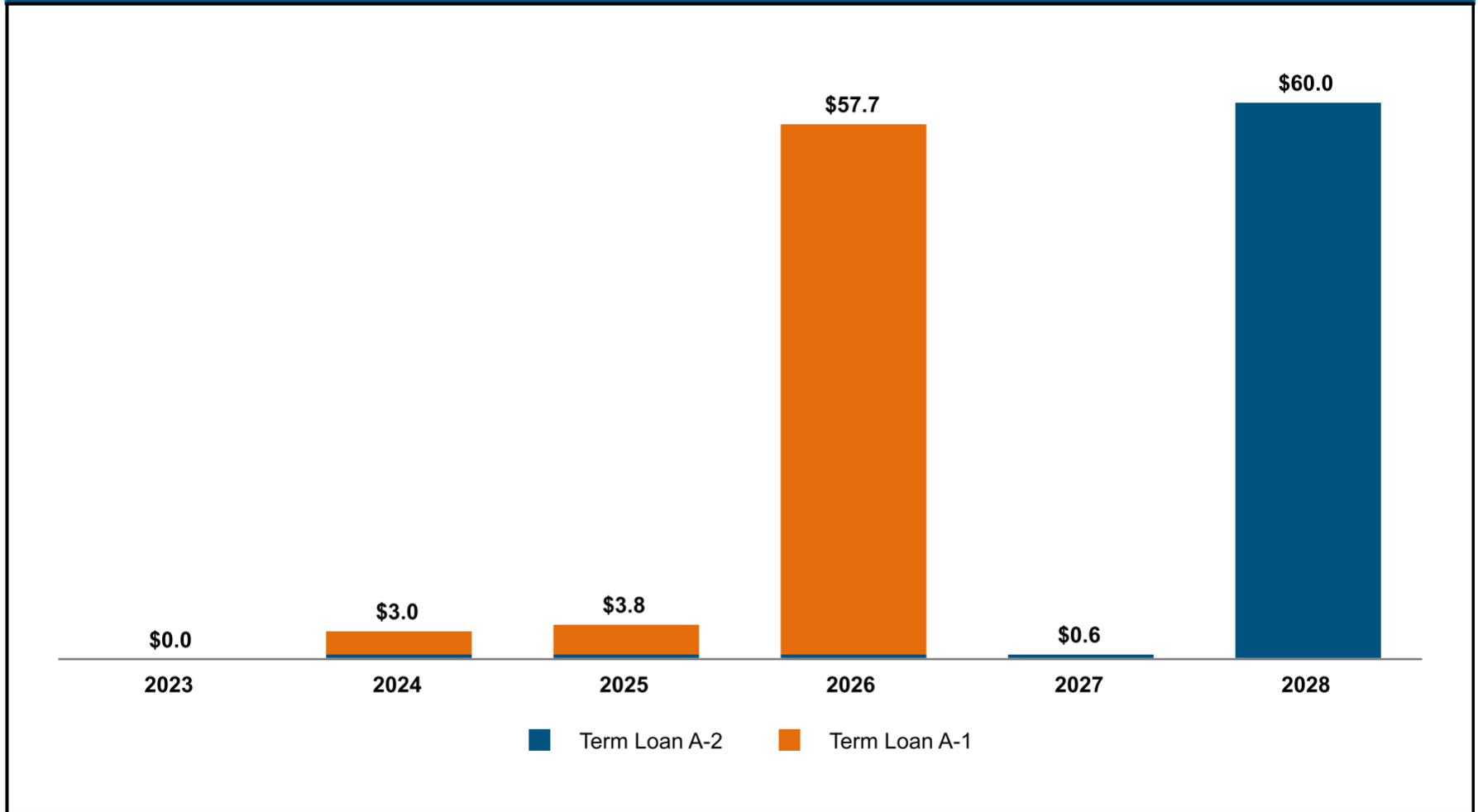


Free Cash Flow (in millions)



Debt Maturity

Debt Maturity (in millions)

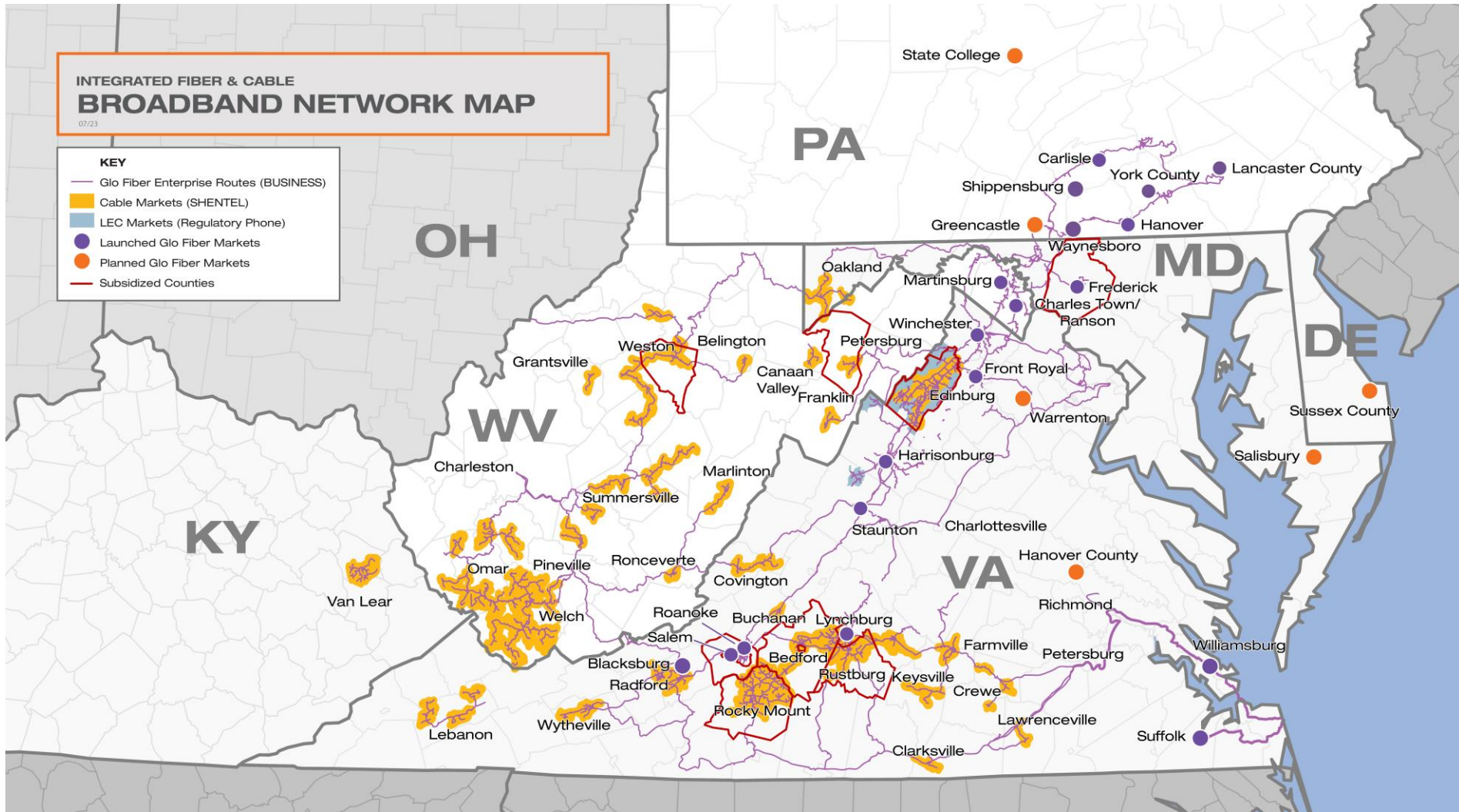




Ed McKay

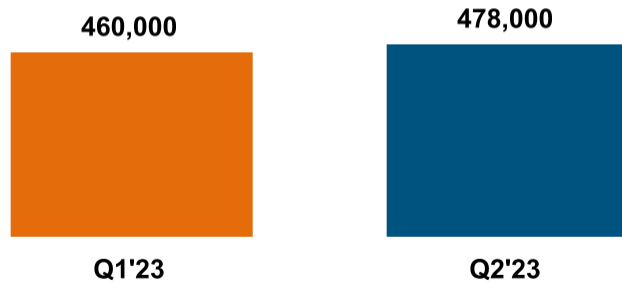
EVP and COO

Integrated Fiber and Cable Broadband Network

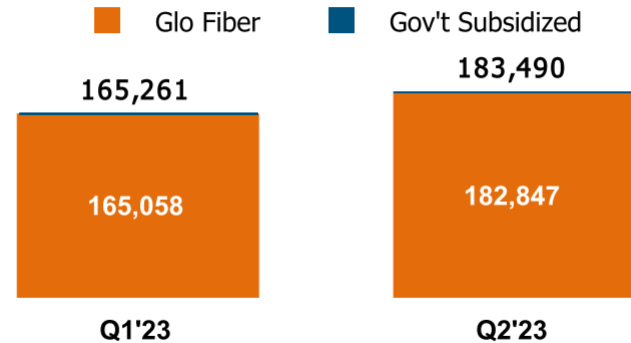


Broadband - Fiber Construction Metrics

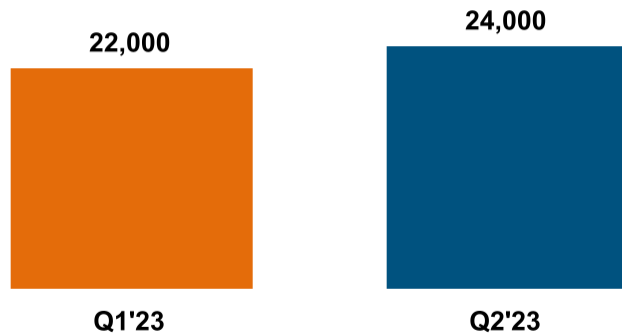
Glo Fiber Franchise Approved Passings



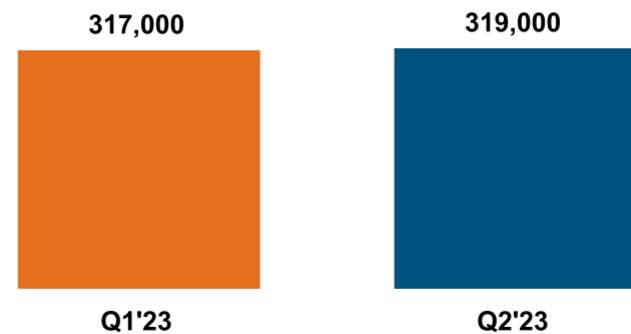
Fiber Passings Released to Sales



Government Grant Approved Fiber Passings¹

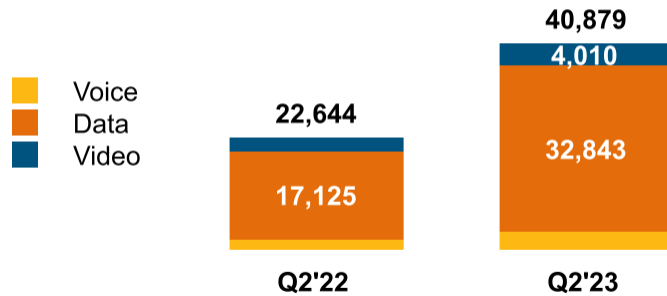


Total Fiber Construction Backlog Passings

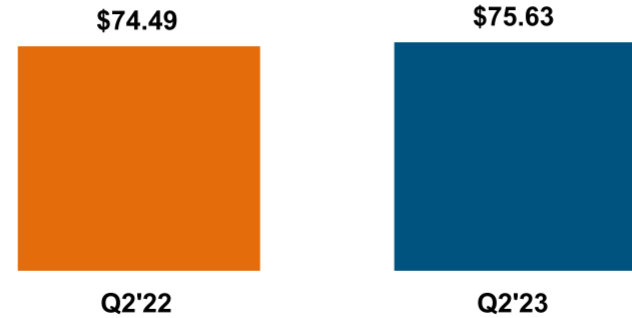


Broadband - Glo Fiber Operating Metrics

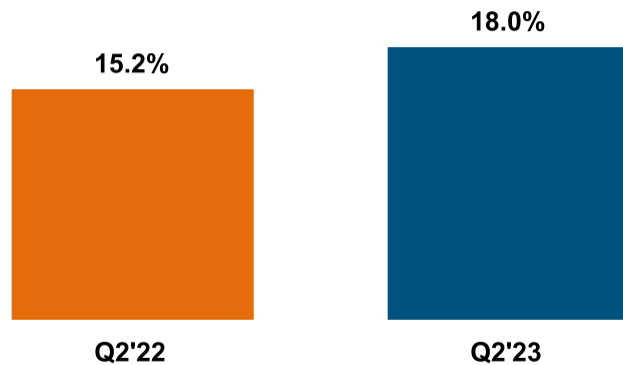
Revenue Generating Units (RGU)



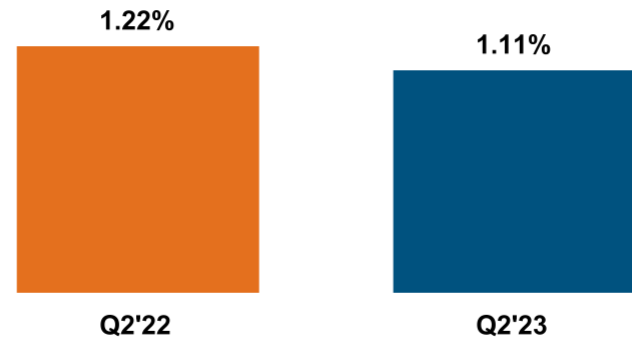
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration



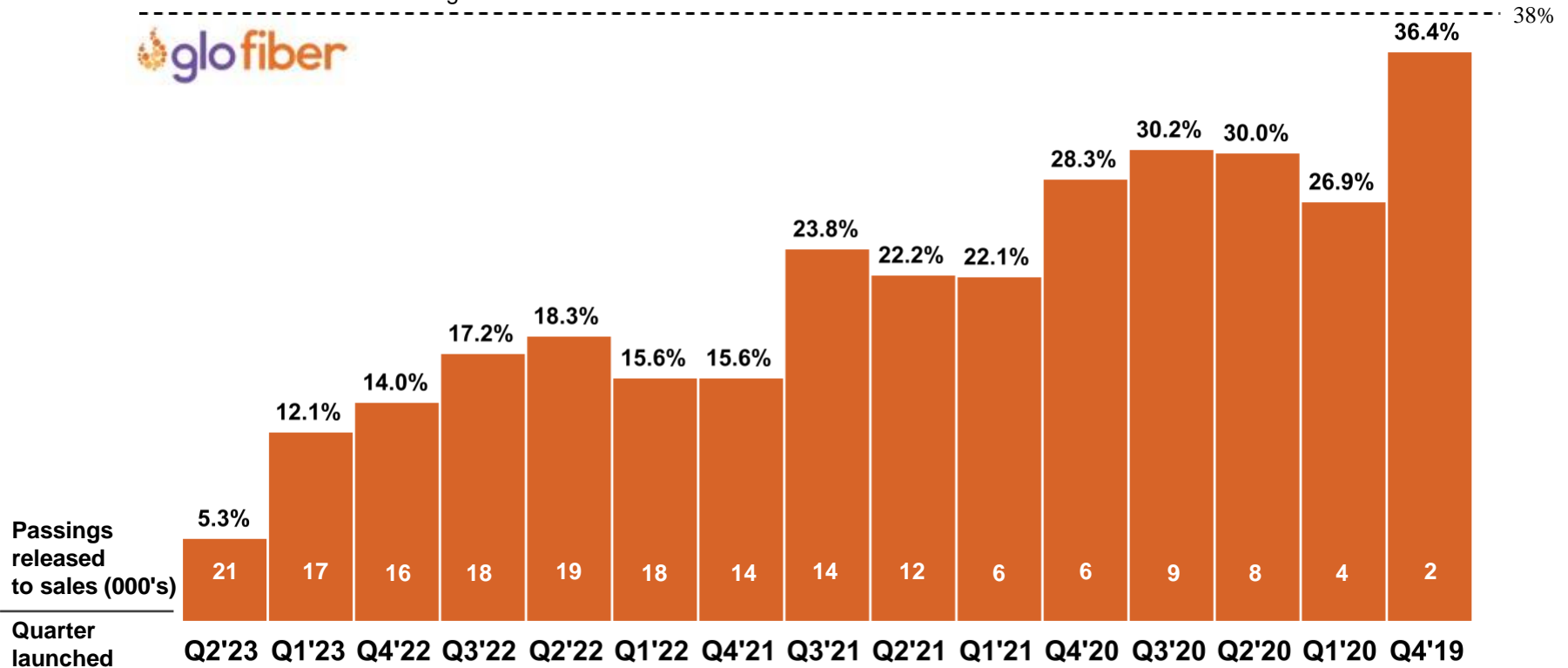
Broadband Data Churn



Vintage Glo Fiber Penetration

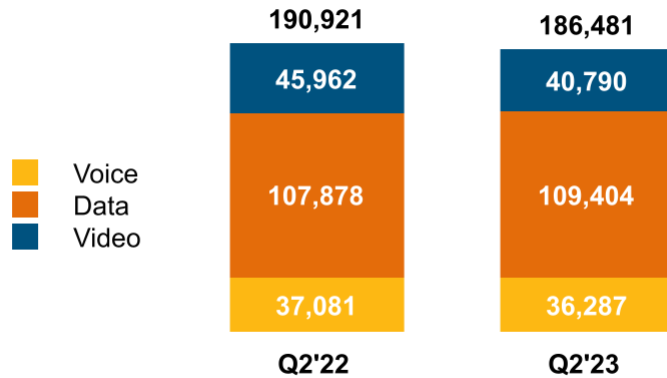
Vintage Glo Fiber Penetration¹

Avg. Terminal Penetration

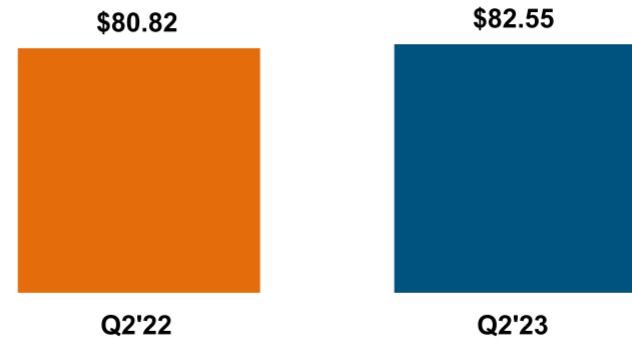


Broadband - Cable Markets Metrics

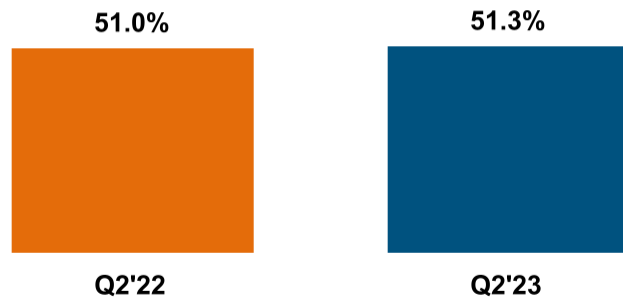
Revenue Generating Units (RGU)



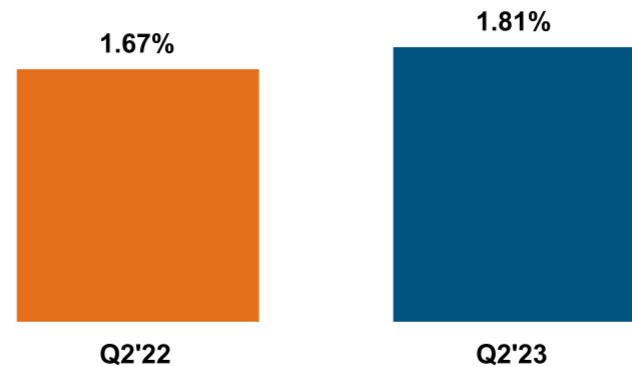
Broadband Data Average Revenue per User (ARPU)



Broadband Data Penetration

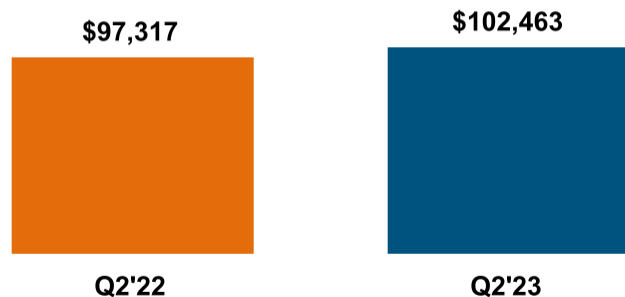


Broadband Data Churn



Broadband - Commercial Fiber Metrics

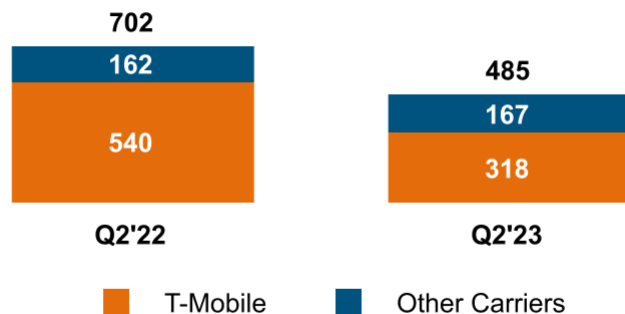
MRR & MAR Sales Bookings



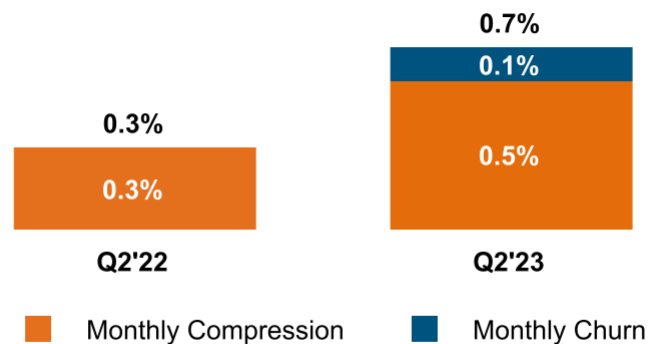
Installed MRR & MAR^{1, 2}



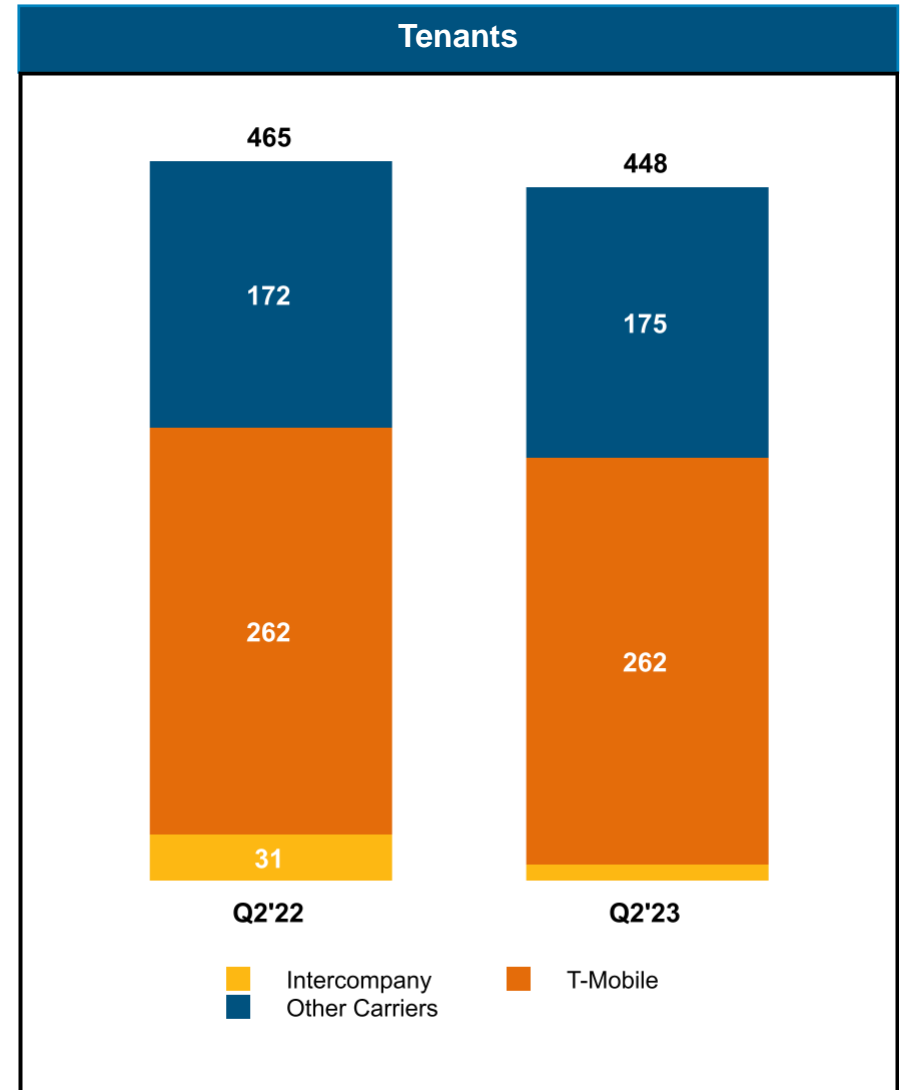
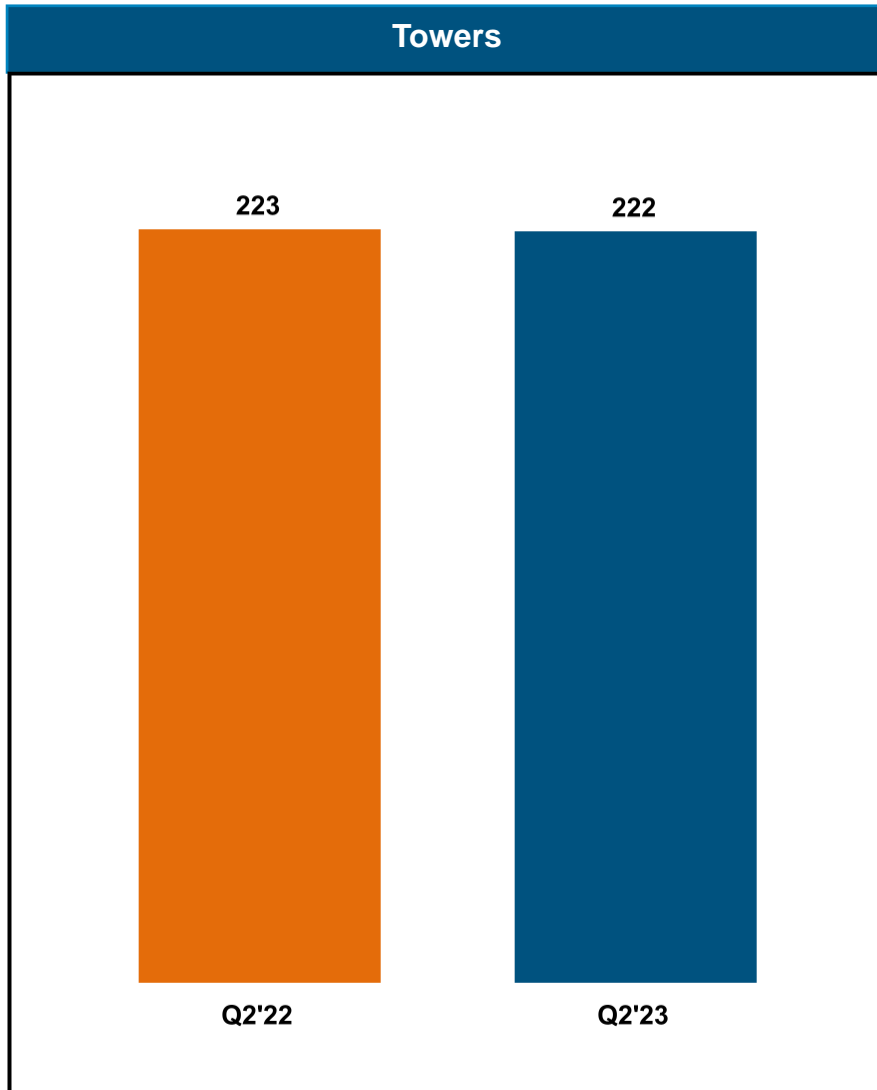
Backhaul Connections



Monthly Compression and Disconnect Churn²

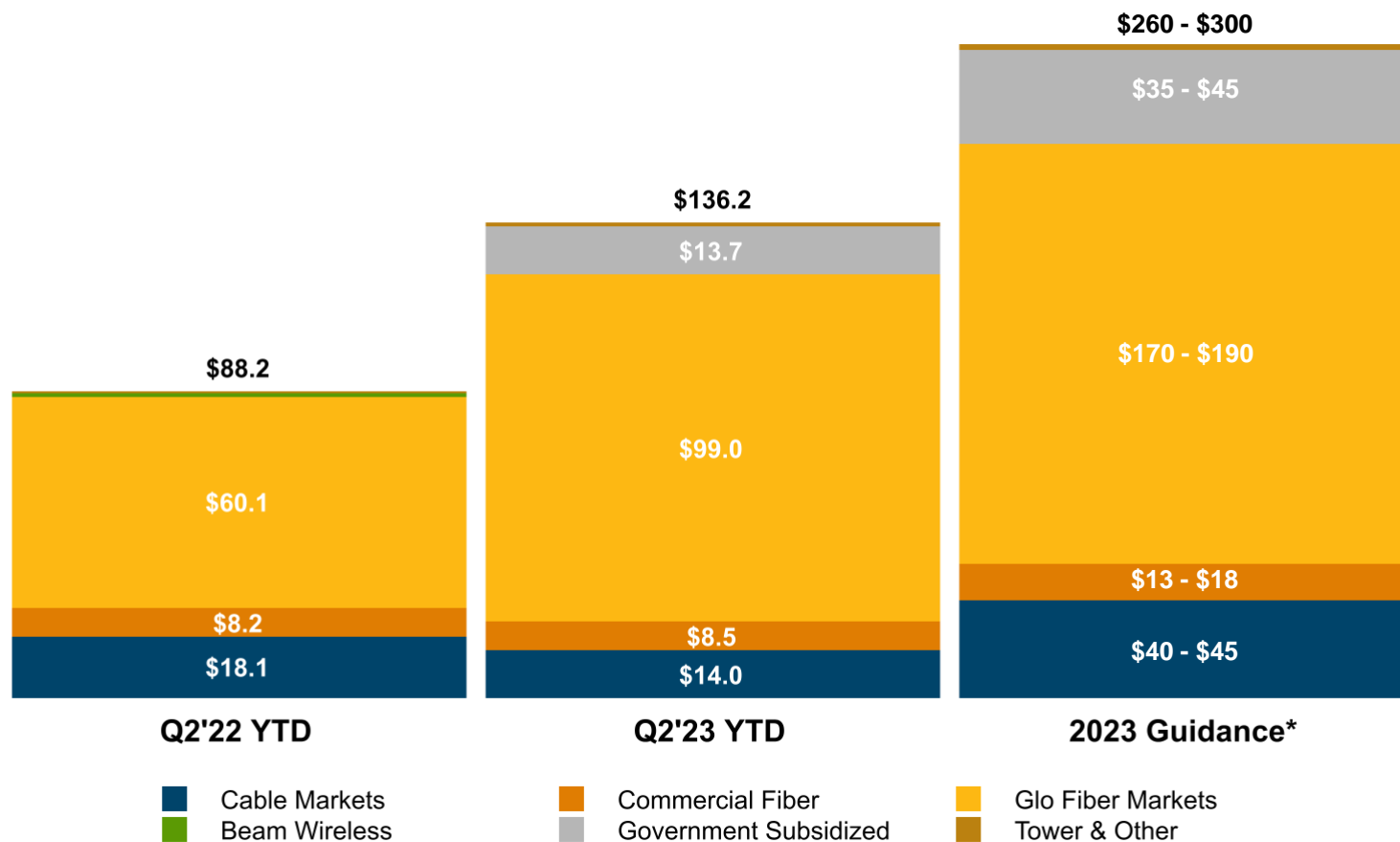


Tower - Metrics



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 June 30, 2023

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss)	\$ 9,613	\$ 2,487	\$ (10,310)	\$ 1,790
Depreciation and amortization	15,490	538	341	16,369
Impairment expense	836	—	—	836
Other expense (income), net	62	—	(239)	(177)
Income tax benefit	—	—	756	756
Stock-based compensation	—	—	2,603	2,603
Restructuring charges and other	71	—	230	301
Adjusted EBITDA	<u>\$ 26,072</u>	<u>\$ 3,025</u>	<u>\$ (6,619)</u>	<u>\$ 22,478</u>
Adjusted EBITDA margin	39 %	64 %	N/A	32 %

Three Months Ended June 30, 2022

<i>(in thousands)</i>	Broadband	Tower	Corporate & Eliminations	Consolidated
Net income (loss)	\$ 4,042	\$ 2,285	\$ (9,552)	\$ (3,225)
Depreciation and amortization	13,396	633	761	14,790
Impairment expense	4,068	—	—	4,068
Other expense (income), net	65	—	524	589
Income tax benefit	—	—	(501)	(501)
Stock-based compensation	—	—	2,385	2,385
Restructuring charges and other	443	—	11	454
Adjusted EBITDA	<u>\$ 22,014</u>	<u>\$ 2,918</u>	<u>\$ (6,372)</u>	<u>\$ 18,560</u>
Adjusted EBITDA margin	36 %	62 %	N/A	28 %

Broadband - Average Revenue per User (ARPU)

	<u>For the second quarter ended,</u>	
	2022	2023
Residential & SMB Revenue (000's)		
Broadband	\$ 29,568	\$ 34,152
Cable Markets	\$ 26,123	\$ 27,172
Glo Fiber Markets	\$ 3,445	\$ 6,980
Video	\$ 15,210	\$ 14,411
Voice	\$ 2,994	\$ 3,054
Discounts, Adjustments, and Other	\$ 127	\$ 950
Average Revenue Generating Units		
Broadband	123,153	140,481
Cable Markets	107,738	109,716
Glo Fiber Markets	15,415	30,765
Video	49,146	45,229
Voice	38,463	40,164
Average Revenue per User (ARPU)*		
Broadband	\$ 79.94	\$ 81.03
Cable Markets	\$ 80.82	\$ 82.55
Glo Fiber Markets	\$ 74.49	\$ 75.63
Video	\$ 103.16	\$ 106.21
Voice	\$ 25.95	\$ 25.35