SHENTEL®
Always connected to you

March 4, 2022

Dear Shareholder:

I am pleased to report on the accomplishments and continued growth of our Company during 2021. The sale of our wireless operations and assets to T-Mobile was completed during the year, contributing the bulk of our historic net income of almost $1 billion. Both financial and operational results were strong in our continuing operations, which includes our Broadband and Tower reportable segments. We were also able to increase momentum executing our fiber-first broadband strategy, greatly expanding the number of homes and businesses passed with our Glo Fiber network and contributing to a record year of Glo Fiber net additions and strong overall broadband growth. These results were achieved while our employees continued to safely deliver great service to our customers, adapting to the ongoing challenges presented by the COVID-19 pandemic.

We had record financial results in 2021. With the large gain from the sale of our wireless operations and assets to T-Mobile, our net income in 2021 was $998 million. Excluding the sale of the wireless business, our net income from continuing operations increased more than 400% from 2020, to $7.9 million. Revenues for 2021 were $245.2 million, an increase of $24.4 million, or 11.1%over 2020. Operating expenses increased $24.3 million, or 10.9%. Net cash provided by operating activities from continuing operations increased by $10.1 million, or 18.9%. Our capital expenditures increased to $160.1 million, reflecting accelerating investments in the expansion of our broadband businesses, primarily with increased investment in the Glo Fiber network.

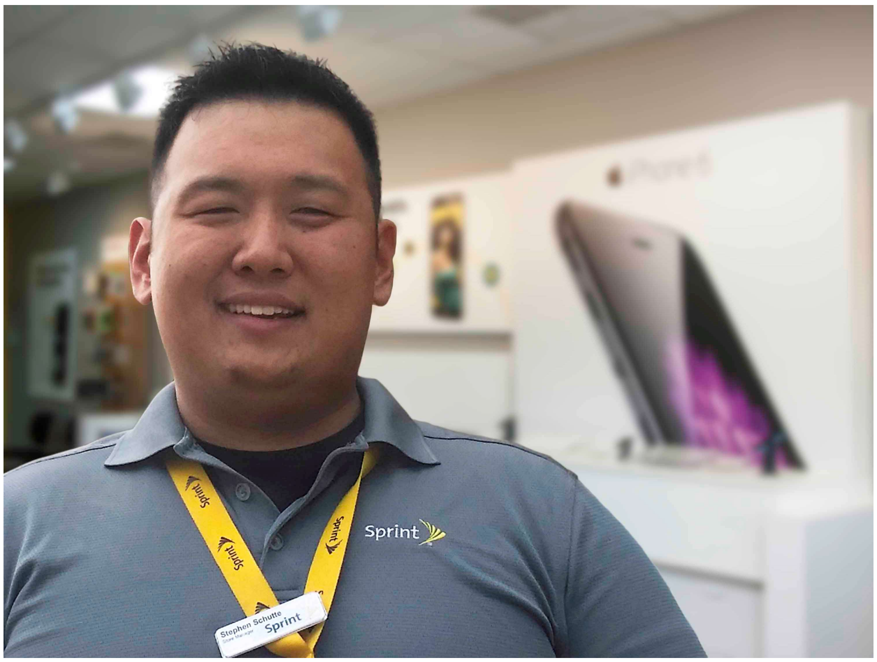
The July 2021 sale of our wireless operations and assets was the conclusion of a multi-year process that began when the merger between Sprint and T-Mobile was announced in early 2018. In August 2020, T-Mobile notified the Company of its intent to exercise its option to purchase our wireless operations. This notice triggered an appraisal process to determine the Entire Business Value T-Mobile would pay to purchase our network and operations. The appraisal process determined the sale price and concluded at the beginning of February 2021, with the Company receiving $1.94 billion of cash proceeds when the sale closed on July 1, 2021. The proceeds were used to return value to shareholders in the form of a special cash dividend of $18.75 per share, repay all outstanding debt and pay income taxes relating to the sale.

Our Wireless business was launched in 1995 when we became the first PCS affiliate with American Personal Communications Service and then with Sprint. While our partners provided key back-office services and national marketing, we took on the risk of investing in the network of towers and cell sites, establishing retail and sales operations, and growing the customer base. After starting from scratch, our wireless business served approximately 1.1 million subscribers at the time of the sale. We successfully competed against the big national providers with our combined focus of building and maintaining a quality network and delivering outstanding,

SHENANDOAH TELECOMMUNICATIONS COMPANY• 500 SHENTEL WAY • P.O. BOX 459 • EDINBURG, VIRGINIA 22824-0459

locally-focused service. Our efforts to create value over the long term ultimately rewarded our shareholders with the largest returns in our Company's history.

As with any successful venture, we could not have achieved the results we did without the contributions of our great employees. For 26 years, their collective efforts resulted in the tough job of bringing advanced wireless services to our rural markets. They can all take great pride in what was accomplished, and deserve the thanks of our shareholders and communities. In recognition of our employees' efforts, in July 2021, the Company shared a portion of the PCS sale gains by making a special 401(k) contribution totaling $1.1 million to all employees other than senior management.



Many of our employees involved in the wireless business transitioned to positions with T-Mobile or to positions supporting our continuing business. Across our six-state Mid-Atlantic service area, a total of approximately 340 employees, or 30% of the Company's workforce, worked in or supported our PCS business. We announced in April 2021 that the planned wireless divestiture necessitated an organizational restructuring, which included a workforce reduction. To assist employees with their transition, we provided outplacement services and severance benefits totaling over $2.1 million to impacted employees. We ended 2021 with 860 employees, a decrease of 279 from 1,139 at the end of 2020.

The sale of wireless marks another big transition in the Company's history, and launches us into a new period of transformation. Since its founding in 1902 as a mutual company organized to provide telephone service in the rural parts of Shenandoah County, Virginia, our Company has undergone several periods of significant change, continually evolving as an organization that provides vital, state-of-the-art telecommunications services to our customers. For most of the first 90 years of the Company's history, our primary focus was being a rural local telephone company. With the establishment of our holding company and a bit of entrepreneurial spirit, we made some early investments in fiber, cable TV, paging, and cellular networks. These investments were the seeds that would grow to become important parts of our future.

The launch of our PCS service in 1995 ushered in a new era for Shentel, one where we marshalled our resources to meet the growing demand for quality wireless services. The expansion into the wireless business required a commitment to first make a large capital investment, and then a period in which we built up the customer and revenue base to earn a return on that investment. Our long-term investors may well remember that we incurred operating losses for the first seven years of providing PCS services due to the high level of capital investment and fixed operating costs associated with the network build-out.

As PCS successfully grew to become the largest contributor to our financial results, we made a strategic decision to diversify into new sources of growth. In 2008, we made our first major acquisition of a cable television system outside of our telephone service area, launching the cable and broadband business which now represents our post-wireless organization's largest segment. Like the development of our PCS business, our cable expansion efforts required a large capital investment, and we incurred operating losses for the first six years as we upgraded our networks and attracted a growing customer base. As a

glo fiber
internet of you

result of those early efforts and our continued investment, those markets are a major contributor to our Broadband segment, which now represents over 90% of our consolidated revenues.

Our 2019 launch of Glo Fiber represents our newest growth initiative, and we are very pleased with our early results. Glo Fiber is the foundation of our residential and commercial fiber business and is setting the stage for the next phase in our history of creating long-term value for our shareholders as a broadband-centric, fiber-first Company. As with both our PCS and cable initiatives, Glo Fiber will require a commitment in the early years with large investments in advance of adding customers, growing revenues and reaching profitability. We plan to invest more than $0.5 billion over a five-year period to aggressively expand our Glo Fiber networks. By the end of 2023, we expect to pass more homes and businesses with fiber than our incumbent cable network, and we're targeting to reach a total of 730,000 broadband homes and businesses passed by 2026.

The COVID-19 pandemic brought into sharper focus the importance of broadband access and how critical it has become for our customers and communities, and it reinforces our fiber-first broadband growth strategy. The growth in demand for broadband services has attracted many new entrants hoping to cash in on the growing demand. Additionally, there is an increasing recognition of the role national, state and local governments should play in helping promote the extension of broadband in high-cost rural areas.

These factors bode well for progress in closing the digital divide that has historically existed in the more rural areas of the country, and will make broadband service available to a larger portion of the population. Our Company's long history of successfully building and operating advanced telecommunications networks provides an advantage over inexperienced newcomers, and makes us an attractive broadband partner. We will remain disciplined in our approach to serving new markets and expanding our networks.

As our Company's services have evolved over time, our shareholder base has seen significant changes as well. In the early decades after our founding, our owners were also our customers, reflecting our history as a mutual telephone company. When the Company transitioned from a mutual organization to a stock corporation in 1960, customers were no longer required to be owners. This allowed the Company to obtain capital, initially through Rural Electrification Administration debt, to fund its growth and serve more customers. After our listing on the Nasdaq stock exchange in October 2000, our shares were increasingly held by institutional investors, many being index funds tracking the various market indexes of which our stock was a member. As

In Memoriam
Warren B. French, Jr.
November 4, 2021

General Manager, President, Director and
Chairman of the Board
1954-1995

Farmers Mutual Telephone System of Shenandoah County
Shenandoah Telephone Company
Shenandoah Telecommunications Company

Over his 40 year career, Mr. French led the company through its evolution from a small rural party-line telephone system with just a few thousand customers, into to a large, advanced regional telecommunications provider serving more than a million customers in the Mid-Atlantic region.

recently as 2007, less than 30% of our total shares outstanding were held by institutional investors. Currently, almost 60% of our shares are held by institutions, with the bulk of those being index funds. As disclosed in our proxy statement, currently two intuitional investors, BlackRock and Vanguard, now own a combined total of over 25% of our shares.

After the payment of the special dividend of $18.75 per share in early August, our stock price initially traded near the $30.00 per share level. Subsequently, as the cable industry began reporting slower growth in new subscribers, our price trended downward, with the price recently trading in the low $20 range. While no investors (except perhaps short-sellers) like to see a decline in their stock's value, we know our stock has previously experienced periods with large fluctuations in price. Periods of similar decline have occurred in the past. One such period was after the end of 2002, when we had sold our cellular partnership interest, other Sprint PCS affiliates were experiencing problems, and there was a lot of financial and regulatory uncertainty for our industry. The beginning of 2008 was also a time of uncertainty, when our PCS prospects were clouded as Sprint tried to recover from its merger with Nextel, and the nation's economy was at the beginning of what became known as the Great Recession.

Although drops in share price are troubling in the short term, our role as managers requires us to remain focused on creating long-term growth in our Company's earnings. Over our Company's modern history, we have seen that continuing to invest in growth and remaining focused on providing great service ultimately drives the increasing value of our stock and therefore our shareholders' investment. The fundamentals of our business are very strong, and our Company continues to grow profitably. While we have much work to do, our growth in operating income provides comfort that we are taking the steps necessary to continue creating shareholder value, and doing this over the long-term remains our primary goal.

We have met the challenges of the past, and are well-poised to meet those of the future. Our focus has always been on making the best decisions for the long-term benefit of our shareholders, and that will continue to be a guiding principle for setting our strategic direction and making our day-to-day business decisions. Our Board of Directors and our management team appreciates the support of our shareholders as we continue our efforts to grow the long-term value of your investment.

For the Board of Directors,

Christopher E. French
Chairman and President